

Company Registration No. 11050534 (England and Wales)

**REALLY LOCAL GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

PAGES FOR FILING WITH REGISTRAR

REALLY LOCAL GROUP LIMITED

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REALLY LOCAL GROUP LIMITED (REGISTERED NUMBER: 11050534)**GROUP BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		3,120,627		1,669,400
Current assets					
Stocks		11,656		5,656	
Debtors	6	1,198,404		216,614	
Cash at bank and in hand		61,401		155,440	
		<u>1,271,461</u>		<u>377,710</u>	
Creditors: amounts falling due within one year	7	<u>(3,037,718)</u>		<u>(825,991)</u>	
Net current liabilities			<u>(1,766,257)</u>		<u>(448,281)</u>
Total assets less current liabilities			1,354,370		1,221,119
Creditors: amounts falling due after more than one year	8		<u>(991,647)</u>		<u>(712,881)</u>
Net assets			<u>362,723</u>		<u>508,238</u>
Capital and reserves					
Called up share capital			11,359		10,032
Share premium account			1,644,618		1,130,943
Profit and loss reserves			<u>(1,292,852)</u>		<u>(632,723)</u>
Equity attributable to owners of the parent company			363,125		508,252
Non-controlling interests			<u>(402)</u>		<u>(14)</u>
			<u>362,723</u>		<u>508,238</u>

The directors of the group have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2021 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities under the Companies Act 2006:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

REALLY LOCAL GROUP LIMITED (REGISTERED NUMBER: 11050534)

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

Mr P Benson
Director

REALLY LOCAL GROUP LIMITED (REGISTERED NUMBER: 11050534)**COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		41,586		46,900
Investments	4		662		662
			<u>42,248</u>		<u>47,562</u>
Current assets					
Debtors	6	2,555,561		1,518,422	
Cash at bank and in hand		33,729		5,757	
		<u>2,589,290</u>		<u>1,524,179</u>	
Creditors: amounts falling due within one year	7	<u>(1,507,777)</u>		<u>(764,088)</u>	
Net current assets			<u>1,081,513</u>		<u>760,091</u>
Net assets			<u><u>1,123,761</u></u>		<u><u>807,653</u></u>
Capital and reserves					
Called up share capital			11,359		10,032
Share premium account			1,644,618		1,130,943
Profit and loss reserves			<u>(532,216)</u>		<u>(333,322)</u>
Total equity			<u><u>1,123,761</u></u>		<u><u>807,653</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £198,894 (2020 - £118,807 loss).

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

Mr P Benson
Director

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Really Local Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 305 Baltic Quay, 1 Sweden Gate, London, SE16 7TJ.

The group consists of Really Local Group Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Really Local Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Not depreciated
Leasehold improvements	Over 10 years
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Depreciation on leasehold buildings is not charged until the properties are initially put into use in the activities of the group.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Total	38	19	6	4
	==	==	==	==

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Tangible fixed assets

Group	Leasehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2021	454,090	1,447,431	440	2,725	1,904,686
Additions	10,765	1,628,620	-	499	1,639,884
At 31 December 2021	464,855	3,076,051	440	3,224	3,544,570
Depreciation and impairment					
At 1 January 2021	-	234,274	157	855	235,286
Depreciation charged in the year	-	188,098	71	488	188,657
At 31 December 2021	-	422,372	228	1,343	423,943
Carrying amount					
At 31 December 2021	464,855	2,653,679	212	1,881	3,120,627
At 31 December 2020	454,090	1,213,157	283	1,870	1,669,400
Company		Leasehold improvements	Fixtures and fittings	Computers	Total
		£	£	£	£
Cost					
At 1 January 2021 and 31 December 2021		51,289	440	732	52,461
Depreciation and impairment					
At 1 January 2021		5,129	157	275	5,561
Depreciation charged in the year		5,129	71	114	5,314
At 31 December 2021		10,258	228	389	10,875
Carrying amount					
At 31 December 2021		41,031	212	343	41,586
At 31 December 2020		46,160	283	457	46,900

A loan provided by a subsidiary is secured by a charge on another fellow undertakings leasehold property.

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Fixed asset investments

		Group		Company	
	Notes	2021	2020	2021	2020
		£	£	£	£
Investments in subsidiaries	5	-	-	662	662

Movements in fixed asset investments Company

Shares in group undertakings

£

Cost or valuation

At 1 January 2021 and 31 December 2021

662

Carrying amount

At 31 December 2021

662

At 31 December 2020

662

5 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Really Local Group (Reading) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Old Blue) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Hayes) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Hallsville) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Cattford Mews) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Broadway) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Group (Blockbuster) Ltd	5 Cromwell Place, London, England, SW7 2JE	Ordinary	100.00
Really Local Fund C.I.C.	5 Cromwell Place, London, England, SW7 2JE	Ordinary A	80.00

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Debtors

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	44,606	7,798	10,874	6,600
Amounts owed by group undertakings	-	-	1,657,778	1,459,672
Other debtors	1,153,798	208,816	886,909	52,150
	<u>1,198,404</u>	<u>216,614</u>	<u>2,555,561</u>	<u>1,518,422</u>

7 Creditors: amounts falling due within one year

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Bank loans	48,204	28,119	-	-
Trade creditors	906,303	213,691	130,319	25,059
Amounts owed to group undertakings	-	-	853,595	429,686
Taxation and social security	93,310	17,998	3,557	3,005
Other creditors	1,989,901	566,183	520,306	306,338
	<u>3,037,718</u>	<u>825,991</u>	<u>1,507,777</u>	<u>764,088</u>

8 Creditors: amounts falling due after more than one year

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Bank loans and overdrafts	162,671	212,881	-	-
Other creditors	828,976	500,000	-	-
	<u>991,647</u>	<u>712,881</u>	<u>-</u>	<u>-</u>

Other creditors due after more than one year are secured against a leasehold property owned by a fellow group undertaking.

REALLY LOCAL GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	210,875	241,000	-	-
Payable within one year	48,204	28,119	-	-
Payable after one year	162,671	212,881	-	-

10 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
	1,552,299	-	-	-

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