

Company Registration No. 06353600 (England and Wales)

NAKED CREATIVITY LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017
PAGES FOR FILING WITH REGISTRAR

NAKED CREATIVITY LTD

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

NAKED CREATIVITY LTD**BALANCE SHEET****AS AT 31 AUGUST 2017**

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	3		21,412		28,949
Current assets					
Debtors	4	106,208		82,267	
Cash at bank and in hand		81,204		73,438	
		<u>187,412</u>		<u>155,705</u>	
Creditors: amounts falling due within one year	5	<u>(101,036)</u>		<u>(89,863)</u>	
Net current assets			<u>86,376</u>		<u>65,842</u>
Total assets less current liabilities			<u>107,788</u>		<u>94,791</u>
Provisions for liabilities			<u>(4,068)</u>		<u>(5,790)</u>
Net assets			<u>103,720</u>		<u>89,001</u>
Capital and reserves					
Called up share capital	6		1,000		1,000
Profit and loss reserves			102,720		88,001
			<u>103,720</u>		<u>89,001</u>
Total equity			<u>103,720</u>		<u>89,001</u>

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

For the financial year ended 31 August 2017 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 and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

NAKED CREATIVITY LTD

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2017

The financial statements were approved by the board of directors and authorised for issue on 30 May 2018 and are signed on its behalf by:

J M Chitty
Director

Company Registration No. 06353600

NAKED CREATIVITY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Company information

Naked Creativity Ltd is a private company limited by shares incorporated in England and Wales. The registered office is The Clarence Centre, 6 St George's Circus, London, SE1 6FE.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 August 2017 are the first financial statements of Naked Creativity Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 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.

NAKED CREATIVITY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 **Accounting policies**

(Continued)

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.

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 company 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.

1.7 **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

NAKED CREATIVITY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 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.

1.10 Retirement benefits

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

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2016 - 7).

NAKED CREATIVITY LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017****3 Tangible fixed assets**

	Plant and machinery etc
	£
Cost	
At 1 September 2016	50,847
Additions	4,693
Disposals	(1,940)
	<u>53,600</u>
At 31 August 2017	<u>53,600</u>
Depreciation and impairment	
At 1 September 2016	21,898
Depreciation charged in the year	12,174
Eliminated in respect of disposals	(1,884)
	<u>32,188</u>
At 31 August 2017	<u>32,188</u>
Carrying amount	
At 31 August 2017	<u>21,412</u>
At 31 August 2016	<u>28,949</u>

4 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	80,451	55,122
Corporation tax recoverable	5,743	5,743
Other debtors	20,014	21,402
	<u>106,208</u>	<u>82,267</u>
	<u>106,208</u>	<u>82,267</u>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	25,973	26,642
Corporation tax	12,338	8,950
Other taxation and social security	44,135	34,387
Other creditors	2,574	6,119
Accruals and deferred income	16,016	13,765
	<u>101,036</u>	<u>89,863</u>
	<u>101,036</u>	<u>89,863</u>

NAKED CREATIVITY LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017**

6	Called up share capital	2017	2016
		£	£
	Ordinary share capital		
	Issued and fully paid		
	1,000 Ordinary Shares of £1 each	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
		<u><u>1,000</u></u>	<u><u>1,000</u></u>

7 Directors' transactions

Included in debtors is an overdrawn directors loan account of £3,671 (2016 - £18,483). Interest has been charged at H M Revenue and Customs official rates.

