

**Gravity Global Performance Marketing Ltd**  
**(Formerly Further Digital Marketing Ltd)**

Financial Statements

For Filing with Registrar

For the year ended 31 December 2020

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Company Information

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<b>Directors</b>	P Anderson A Daynes Z Ireson S M Jaggard L M Roberts R Welsby
<b>Company number</b>	06459835
<b>Registered office</b>	47-49 Colegate Norwich United Kingdom NR3 1DD
<b>Auditor</b>	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL
<b>Business address</b>	47-49 Colegate Norwich United Kingdom NR3 1DD

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(Formerly Further Digital Marketing Ltd)  
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Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Balance Sheet

As at 31 December 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		45,161		31,776
<b>Current assets</b>					
Debtors	5	787,847		313,811	
Cash at bank and in hand		794,411		356,590	
		<u>1,582,258</u>		<u>670,401</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(611,294)</u>		<u>(300,353)</u>	
<b>Net current assets</b>			970,964		370,048
<b>Total assets less current liabilities</b>			<u>1,016,125</u>		<u>401,824</u>
<b>Provisions for liabilities</b>	7		<u>(8,410)</u>		<u>(5,402)</u>
<b>Net assets</b>			<u><u>1,007,715</u></u>		<u><u>396,422</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		356		356
Share premium account			11,298		11,298
Capital redemption reserve			325		325
Profit and loss reserves			<u>995,736</u>		<u>384,443</u>
<b>Total equity</b>			<u><u>1,007,715</u></u>		<u><u>396,422</u></u>

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

These financial statements have been prepared and delivered 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 24 August 2021 and are signed on its behalf by:

L M Roberts  
Director

Company Registration No. 06459835

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Statement of Changes in Equity

For the year ended 31 December 2020

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2019</b>		308	3,396	325	218,670	222,699
<b>Year ended 31 December 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	596,673	596,673
Issue of share capital	8	48	7,902	-	-	7,950
Dividends		-	-	-	(430,900)	(430,900)
<b>Balance at 31 December 2019</b>		356	11,298	325	384,443	396,422
<b>Year ended 31 December 2020:</b>						
Profit and total comprehensive income for the year		-	-	-	611,293	611,293
<b>Balance at 31 December 2020</b>		356	11,298	325	995,736	1,007,715

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements

For the year ended 31 December 2020

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**1 Accounting policies**

**Company information**

Gravity Global Performance Marketing Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 47-49 Colegate, Norwich, United Kingdom, NR3 1DD.

**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 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 pound.

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

**1.2 Going concern**

At the balance sheet date, the company had net assets of £1,007,715 (2019: £396,422). The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The company was affected by the impact of the coronavirus pandemic and the measures taken to contain it, including the introduction of the tier system and the temporary lockdown imposed in England in November 2020.

The directors continue to monitor the impact of the COVID-19 pandemic and have prepared detailed cash flow projections which are based on their current expectations of trading prospects. The company has positive cash reserves at the date of approval of the financial statements and has been trading profitably since the year end. This will enable it to continue to meet its liabilities as they fall due for at least the next twelve months.

The company has assessed the potential risks and the impact on the business as a result of the pandemic. The company does not have a high level of fixed costs, however should there be a negative impact, a cost deferral and reduction plan will be put in place in order to minimise the impact of any potential risks. This will be proportionate to any anticipated drop off in revenues and cash inflows.

As a result the directors are confident that they have the ability to respond effectively to continued uncertainty and as a result, the directors believe that the company will be able to continue to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements. Consequently the financial statements have been prepared on a going concern basis.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for 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.

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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**1 Accounting policies**

**(Continued)**

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 are recoverable.

**1.4 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**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:

Office equipment	15% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line

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 credited or charged to profit or loss.

**1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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**1 Accounting policies**

(Continued)

**1.7 Cash at bank and in hand**

Cash at bank and in hand 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.

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**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.

**1.9 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.

**1.10 Taxation**

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

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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**1 Accounting policies**

**(Continued)**

***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.

***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.

**1.11 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.

**1.12 Retirement benefits**

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

**1.13 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

**1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

**1 Accounting policies**

(Continued)

**1.15 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 38 (2019 - 33).

**3 Intangible fixed assets**

**Goodwill**  
£

**Cost**

At 1 January 2020 and 31 December 2020

364,000

**Amortisation and impairment**

At 1 January 2020 and 31 December 2020

364,000

**Carrying amount**

At 31 December 2020

-

At 31 December 2019

-

**4 Tangible fixed assets**

**Plant and machinery etc**  
£

**Cost**

At 1 January 2020

71,673

Additions

32,311

At 31 December 2020

103,984

**Depreciation and impairment**

At 1 January 2020

39,897

Depreciation charged in the year

18,926

At 31 December 2020

58,823

**Carrying amount**

At 31 December 2020

45,161

At 31 December 2019

31,776

Gravity Global Performance Marketing Ltd  
(Formerly Further Digital Marketing Ltd)  
Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

**5 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	93,892	164,778
Amounts due from group undertakings	603,269	72,476
Other debtors	90,686	76,557
	<u>787,847</u>	<u>313,811</u>

**6 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	56,432	17,916
Amounts due to group undertakings	94,507	9,384
Corporation tax	85,980	54,051
Other taxation and social security	275,233	144,192
Other creditors	99,142	74,810
	<u>611,294</u>	<u>300,353</u>

**7 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	<u>8,410</u>	<u>5,402</u>
<b>Movements in the year:</b>		<b>2020</b>
		<b>£</b>
Liability at 1 January 2020		5,402
Charge to profit or loss		3,008
Liability at 31 December 2020		<u>8,410</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

Gravity Global Performance Marketing Ltd  
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Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

**8 Called up share capital**

	2020	2019
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
4,560 A Ordinary shares of 5p each	228	228
1,140 B Ordinary shares of 5p each	57	57
460 C Ordinary shares of 5p each	23	23
966 E Ordinary shares of 5p each	48	48
	<u>356</u>	<u>356</u>

The Ordinary A, B, C and E shares rank pari passu in all respects except that only the board can in its absolute discretion decide how to allocate dividends between the respective classes of shares.

**9 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Esther Carder.

The auditor was Moore Kingston Smith LLP.

**10 Financial commitments, guarantees and contingent liabilities**

A composite guarantee has been given to the Gravity Global Limited's lenders in respect of any debts or liabilities owing to the lenders by any party to the guarantee. The parties to the guarantee are the companies listed below:

Gravity London Limited  
Gravity Oxford Limited  
Gravity Global Performance Marketing Ltd  
Gravity Global Digital Ltd

At the balance sheet date, the Gravity Global Limited's indebtedness to its lenders was £9,805,976.

Gravity Global Performance Marketing Ltd  
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Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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**11 Operating lease commitments**

**Lessee**

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

	2020 £	2019 £
Within one year	31,406	32,657
Between two and five years	16,504	47,999
	<u>47,910</u>	<u>80,656</u>

**12 Related party transactions**

As permitted by FRS 102 Section 33 "related party disclosures", the financial statements do not disclose transactions with the immediate parent company and wholly owned fellow subsidiaries on the basis that group financial statements are prepared.

At 31 December 2020, the Company was owed £217 (2019: £217) by the directors. The loans are repayable on demand and are included within other debtors due within one year.

During the year, advances of £nil (2019: £165,331) were made to the directors. These were repayable on demand. The company also paid personal expenses totalling £nil (2019: £2,157) on behalf of the directors. Amounts repaid by the director during the year totalled £nil (2019: £169,666).

**13 Parent company**

The immediate and ultimate parent undertaking is Gravity Global Limited, a company incorporated in England and Wales.

Gravity Global Limited is the smallest and largest group for which consolidated financial statements including the company are prepared. The consolidated financial statements of Gravity Global Limited are available from its registered office, 69 Wilson Street, London, United Kingdom, EC2A 2BB.

The directors consider there to be no single ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.