

# Vimeo UK Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

Company Registration No. 08171540 (England and Wales)

# Vimeo UK Limited

## Company Information

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<b>Directors</b>	M Cheah G Munson	(Appointed 20 April 2022)
<b>Secretary</b>	M Cheah	
<b>Company number</b>	08171540	
<b>Registered office</b>	Room 405 Highland House 165 The Broadway London SW19 1NE	
<b>Auditor</b>	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP	

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# Vimeo UK Limited

## Contents

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	<b>Page</b>
Directors' report	1 - 2
Independent auditor's report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 18

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# Vimeo UK Limited

## Directors' Report

For the year ended 31 December 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

### Principal activities

The company's principal activity is the provision of video hosting and live web streaming services.

### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Cheah

N Menon

G Munson

(Resigned 20 April 2022)

(Appointed 20 April 2022)

### Auditor

Moore Kingston Smith LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# Vimeo UK Limited

## Directors' Report (Continued)

For the year ended 31 December 2021

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On behalf of the board

G Munson

**Director**

14 November 2022

# Vimeo UK Limited

## Independent Auditor's Report

To the Members of Vimeo UK Limited

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### Opinion

We have audited the financial statements of Vimeo UK Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Vimeo UK Limited

## Independent Auditor's Report (Continued)

To the Members of Vimeo UK Limited

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# Vimeo UK Limited

## Independent Auditor's Report (Continued)

### To the Members of Vimeo UK Limited

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#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Vimeo UK Limited

## Independent Auditor's Report (Continued)

### To the Members of Vimeo UK Limited

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#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK adopted International Accounting Standards, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**John Staniforth (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

15 November 2022

**Chartered Accountants**  
**Statutory Auditor**

6th Floor  
9 Appold Street  
London  
EC2A 2AP

# Vimeo UK Limited

## Statement of Comprehensive Income

For the year ended 31 December 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>2</b>	5,517,022	1,816,192
Administrative expenses		(5,160,112)	(1,671,429)
<b>Operating profit</b>	<b>4</b>	356,910	144,763
Interest receivable and similar income	<b>6</b>	-	102
Interest payable and similar expenses	<b>7</b>	-	(22)
<b>Profit before taxation</b>		356,910	144,843
Tax on profit	<b>8</b>	(69,176)	(27,898)
<b>Profit and total comprehensive income for the financial year</b>		287,734	116,945

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# Vimeo UK Limited

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	9		622,235		258,720
<b>Current assets</b>					
Debtors	10	726,874		74,230	
Cash at bank and in hand		241,282		598,218	
		968,156		672,448	
<b>Creditors: amounts falling due within one year</b>	11	(616,527)		(245,038)	
<b>Net current assets</b>			351,629		427,410
<b>Net assets</b>			973,864		686,130
<b>Capital and reserves</b>					
Called up share capital	13		100		100
Profit and loss reserves			973,764		686,030
<b>Total equity</b>			973,864		686,130

The financial statements were approved by the board of directors and authorised for issue on 14 November 2022 and are signed on its behalf by:

G Munson  
Director

Company Registration No. 08171540

# Vimeo UK Limited

## Statement of Changes in Equity

For the year ended 31 December 2021

	Share capital	Retained earnings	Total
	£	£	£
<b>Balance at 1 January 2020</b>	100	1,499,555	1,499,655
<b>Year ended 31 December 2020:</b>			
Profit and total comprehensive income for the year	-	116,945	116,945
Exceptional item - Waiver of amount owed by parent company	-	(930,470)	(930,470)
<b>Balance at 31 December 2020</b>	100	686,030	686,130
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income for the year	-	287,734	287,734
<b>Balance at 31 December 2021</b>	100	973,764	973,864

# Vimeo UK Limited

## Notes to the Financial Statements

For the year ended 31 December 2021

### 1 Accounting policies

#### Company information

Vimeo UK Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is Room 405, Highland House, 165 The Broadway, London, SW19 1NE.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and in accordance with the Companies Act 2006.

The financial statements for the year ended 31 December 2020 were the first financial statements of Vimeo UK Limited prepared in accordance with FRS 101. The date of transition to FRS 101 was 1 January 2019.

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

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Vimeo, Inc., in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of Vimeo, Inc. The group accounts of Vimeo, Inc. are available to the public and can be obtained as set out in note 16.

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.2 Going concern

The company made a profit for the year ended 31 December 2021 of £287,734 (2020: £116,945). Furthermore, the net assets and reserves of the company both increased from £686,130 as at 31 December 2020 to £973,864 as at 31 December 2021. The company's ultimate parent undertaking has undertaken to support the company for a period of at least one year from the date of approval of the financial statements and the company and group remain strongly cash positive. There is no reason to suggest that the company should not be operating as a going concern.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

#### 1.4 Intangible assets other than goodwill

Intangible fixed assets other than goodwill are comprised of capitalised commission costs. These are stated at cost less accumulated amortisation and accumulated impairment losses.

Capitalised commission costs are amortised over the estimated length of a customer contract which is deemed to be 4.5 years, on a straight line basis.

#### 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.

The company has a capitalisation policy of \$5,000, in line with that of the parent company. Therefore, any assets purchased for less than this amount are not included as tangible fixed assets in the Balance Sheet.

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:

Fixtures, fittings & equipment	Straight line over 3 years
Computer equipment	Straight line over 3 years

#### 1.6 Impairment of tangible and intangible assets

At each reporting 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

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.

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.

#### 1.7 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

#### 1.8 Cash at bank and in hand

Cash and cash equivalents 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 assets

Basic financial instruments are measured at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

##### *Loans and receivables*

Trade Debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### **1.10 Financial liabilities**

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

#### ***Other financial liabilities***

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

#### **1.11 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.

#### **1.12 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.

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

#### **1.14 Retirement benefits**

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

#### **1.15 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the fair value of the assets at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, less 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.

#### **1.16 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 in the period are included in profit or loss.

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 2 Turnover

All turnover relates to management fees received from the immediate parent company.

	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
North America	5,517,022	1,816,192

### 3 Exceptional item

During the prior year, the company formally waived a balance of £930,470 due from the parent company.

### 4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	3,457	-
Fees payable to the company's auditor for the audit of the company's financial statements	17,000	15,000
Amortisation of intangible assets	133,771	25,993

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was 39 (2020: 9).

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	3,884,501	1,256,393
Social security costs	491,609	163,215
Pension costs	75,991	31,112
	4,452,101	1,450,720

### 6 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Interest on bank deposits	-	102

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 7 Interest payable and similar expenses

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	22
	<u>          </u>	<u>          </u>

### 8 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	69,176	27,898
	<u>          </u>	<u>          </u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2021 £	2020 £
Profit before taxation	356,910	144,843
	<u>          </u>	<u>          </u>
<i>Expected tax charge based on a corporation tax rate of 19.00% (2020: 19.00%)</i>	67,813	27,520
Effect of expenses not deductible in determining taxable profit	169	2,172
Capital allowances in excess of depreciation	-	(1,794)
Provisions	1,194	-
	<u>          </u>	<u>          </u>
<b>Taxation charge for the year</b>	<u>69,176</u>	<u>27,898</u>

### 9 Intangible fixed assets

	Capitalised commission costs £
<b>Cost</b>	
At 1 January 2021	284,713
Additions	497,286
	<u>          </u>
At 31 December 2021	<u>781,999</u>

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 9 Intangible fixed assets

(Continued)

	Capitalised commission costs £
<b>Amortisation and impairment</b>	
At 1 January 2021	25,993
Charge for the year	133,771
	<hr/>
At 31 December 2021	159,764
	<hr/>
<b>Carrying amount</b>	
At 31 December 2021	622,235
	<hr/>
At 31 December 2020	258,720
	<hr/>

### 10 Debtors

	2021 £	2020 £
Trade debtors	-	61,675
VAT recoverable	33,261	8,503
Amount owed by parent undertaking	538,850	-
Other debtors	117,750	-
Prepayments and accrued income	37,013	4,052
	<hr/>	<hr/>
	726,874	74,230
	<hr/>	<hr/>

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

### 11 Creditors

	Notes	2021 £	2020 £
Creditors	12	327,466	127,728
Taxation and social security		289,061	117,310
		<hr/>	<hr/>
		616,527	245,038
		<hr/>	<hr/>

# Vimeo UK Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 12 Creditors

	2021 £	2020 £
Trade creditors	15,610	8,539
Amounts owed to fellow group undertakings	-	102,926
Accruals and deferred income	311,856	16,263
	<u>327,466</u>	<u>127,728</u>

### 13 Share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b><i>Issued and fully paid</i></b>		
100 Ordinary Shares of £1 each	100	100
	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

### 14 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	75,991	31,112
	<u>75,991</u>	<u>31,112</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 15 Related party transactions

#### Remuneration of key management personnel

The Directors of the company are considered to be the key management personnel. The Directors did not receive any remuneration in the year from Vimeo UK Limited, as they are remunerated by the Parent Company.

### 16 Parent company

The company is controlled by Vimeo.com, Inc., a company incorporated in the United States of America, by virtue of holding 100% of the issued shares.

The largest group of undertakings for which group accounts have been drawn up is that headed by Vimeo, Inc., a company incorporated in Delaware, USA. The registered office of the principal place of business for Vimeo, Inc. is 555 West 18th Street, New York, USA.

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.