

UNDER THE DOORMAT LIMITED

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



UNDER THE DOORMAT LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The Director presents her report and the financial statements for the year ended 31 March 2018.

Principal activity

The company's principal activity during the year continued to be the provision of accommodation management in the sharing economy sector.

Governance

The company is constituted to have one formally appointed statutory director, who makes up the board of directors as defined under company law and referenced within these financial statements.

In support of decision making, the director has instructed Wellers as external Accountants to prepare the accounts and is supported by a Chief Financial Officer who has signed off the work and a carefully selected strategic board. While having no statutory remit as a board under company law, this advisory panel is vital to key decision making and the finance member of the board has supported the accounts.

Director

The Director who served during the year was:

Merilee E Karr

Small companies note

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

Merilee Karr

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Merilee E Karr
Director

Date: 20/12/2018

UNDER THE DOORMAT LIMITED
REGISTERED NUMBER: 08968561

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	9,814	7,401
		<u>9,814</u>	<u>7,401</u>
Current assets			
Debtors: amounts falling due after more than one year	5	163,014	74,551
Debtors: amounts falling due within one year	5	45,975	20,820
Cash at bank and in hand	6	59,745	155,542
		<u>268,734</u>	<u>250,913</u>
Creditors: amounts falling due within one year	7	(457,436)	(98,019)
Net current (liabilities)/assets		<u>(188,702)</u>	<u>152,894</u>
Total assets less current liabilities		<u>(178,888)</u>	<u>160,295</u>
Provisions for liabilities			
Deferred tax	8	(1,865)	-
		<u>(1,865)</u>	<u>-</u>
Net (liabilities)/assets		<u><u>(180,753)</u></u>	<u><u>160,295</u></u>
Capital and reserves			
Called up share capital		259	259
Share premium account		484,358	484,358
Profit and loss account		(665,370)	(324,322)
		<u>(180,753)</u>	<u>160,295</u>

The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions

UNDER THE DOORMAT LIMITED
REGISTERED NUMBER: 08968561

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:
Merilee Karr
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Merilee E Karr
Director

Date: 20/12/2018

The notes on pages 4 to 10 form part of these financial statements.

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

Under the Doormat Limited is a private company limited by share capital, incorporated in England and Wales, registration number 08968561. The address of the registered office is The Lightbulb 115, 1 Filament Walk, London, SW18 4GQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company continues to meet its day to day financial obligations from cash generated from business and funding raised from investors. The director is satisfied that they can continue to finance the company in this way and the company can achieve sustained profitability in the future. The Accounts have this been prepared under the going concern assumption.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised when all of the following conditions are satisfied.

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the costs incurred and the costs to complete the contract can be measured reliably;
- at the time of fully discharging obligations in respect of booking i.e. at the date of check out.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)**2.4 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings, tools and equipment	- over 4 years
Office equipment	- over 4 years
Website	- over 2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 16 (2017 - 9).

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Website £	Total £
Cost or valuation				
At 1 April 2017	2,940	5,979	15,378	24,297
Additions	1,056	822	5,670	7,548
At 31 March 2018	<u>3,996</u>	<u>6,801</u>	<u>21,048</u>	<u>31,845</u>
Depreciation				
At 1 April 2017	841	971	15,085	16,897
Charge for the year on owned assets	911	1,478	2,745	5,134
At 31 March 2018	<u>1,752</u>	<u>2,449</u>	<u>17,830</u>	<u>22,031</u>
Net book value				
At 31 March 2018	<u>2,244</u>	<u>4,352</u>	<u>3,218</u>	<u>9,814</u>
At 31 March 2017	<u>2,099</u>	<u>5,009</u>	<u>293</u>	<u>7,401</u>

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Debtors

	2018 £	2017 £
Due after more than one year		
Other debtors	8,592	-
Deferred tax asset	154,422	74,551
	<u>163,014</u>	<u>74,551</u>
	2018 £	2017 £
Due within one year		
Other debtors	40,717	10,738
Prepayments and accrued income	5,258	10,082
	<u>45,975</u>	<u>20,820</u>

6. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	59,745	155,542
	<u>59,745</u>	<u>155,542</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	8,759	30,510
Other taxation and social security	18,325	-
Other creditors	197,978	64,789
Accruals and deferred income	3,374	2,720
Paid up capital - (to issue)	229,000	-
	<u>457,436</u>	<u>98,019</u>

Paid up capital (to issue) represents funds collected from investors under Advanced Subscription Agreements. The amounts are non-refundable and will convert into equity at the close of a Qualifying Finance Round, as defined within the agreements, or latest on 25 October 2018.

UNDER THE DOORMAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Deferred taxation

	2018 £	2017 £
At beginning of year	74,551	-
Charged to profit or loss	78,006	74,551
At end of year	152,557	74,551
	2018 £	2017 £
Accelerated capital allowances	(1,865)	-
Tax losses carried forward	154,422	74,551
	152,557	74,551

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,712 (2017 - £nil). Contributions totalling £648 (2017 - £nil) were payable to the fund at the balance sheet date and are included in creditors.