

Registration number: 09423618

Houst Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2021

Carbon Accountancy Limited
80-83 Long Lane
London
EC1A 9ET

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Houst Limited

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Houst Limited

Company Information

Directors	Hugo Miguel Gonçalves Conceição Silva James Jenkins-Yates Mark McDonald
Registered office	14 St. John's Square London EC1M 4NL
Accountants	Carbon Accountancy Limited 80-83 Long Lane London EC1A 9ET

Houst Limited

Directors' Report for the Year Ended 31 December 2021

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

Directors of the group

The directors who held office during the year were as follows:

Hugo Miguel Gonçalves Conceição Silva

Ilya Vissarionovich Belyaev (ceased 19 January 2022)

James Jenkins-Yates

The following director was appointed after the year end:

Mark McDonald (appointed 15 January 2022)

Principal activity

The principal activity of the company is provision of software solutions to short term letting hosts to enable them to host guests on multiple booking platforms.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 3 November 2022 and signed on its behalf by:



James Jenkins-Yates
Signed on 03/11/22 @ 15:28

.....
James Jenkins-Yates
Director

Houst Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Houst Limited

**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Houst Limited
for the Year Ended 31 December 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Houst Limited for the year ended 31 December 2021 as set out on pages 5 to 27 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in Ireland (ICAI), we are subject to its ethical and other professional requirements.

This report is made solely to the Board of Directors of Houst Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Houst Limited and state those matters that we have agreed to state to the Board of Directors of Houst Limited, as a body, in this report in accordance with ICAI guidelines. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Houst Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Houst Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Houst Limited. You consider that Houst Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Houst Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Carbon Accountancy Limited

Countersigned on 03/11/22 @ 15:32

Carbon Accountancy Limited
80-83 Long Lane
London

ECIA 9ET

Date: 03/11/2022

Houst Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Turnover		4,957,858	5,491,662
Cost of sales		<u>(1,599,461)</u>	<u>(2,224,144)</u>
Gross profit		3,358,397	3,267,518
Distribution costs		(170,290)	(83,263)
Administrative expenses		(5,585,912)	(10,437,799)
Other operating income	3	<u>224,700</u>	<u>822,817</u>
Operating loss	5	<u>(2,173,105)</u>	<u>(6,430,727)</u>
Other interest receivable and similar income	6	5,396	(2,483)
Interest payable and similar expenses	7	<u>(630,016)</u>	<u>(155,335)</u>
		<u>(624,620)</u>	<u>(157,818)</u>
Loss before tax		(2,797,725)	(6,588,545)
Tax on loss	9	<u>298,412</u>	<u>283,822</u>
Loss for the financial year		<u>(2,499,313)</u>	<u>(6,304,723)</u>
Profit/(loss) attributable to:			
Owners of the company		<u>(2,499,313)</u>	<u>(6,304,723)</u>

The notes on pages 13 to 27 form an integral part of these financial statements.
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Houst Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2021

	2021 £	2020 £
Loss for the year	<u>(2,499,313)</u>	<u>(6,304,723)</u>
Foreign currency translation gains/(losses)	178,682	(191,893)
Other comprehensive income -share option reserve	<u>3,670</u>	<u>11,132</u>
	<u>182,352</u>	<u>(180,761)</u>
Total comprehensive income for the year	<u>(2,316,961)</u>	<u>(6,485,484)</u>
Total comprehensive income attributable to:		
Owners of the company	<u>(2,316,961)</u>	<u>(6,485,484)</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Houst Limited

(Registration number: 09423618)
Consolidated Balance Sheet as at 31 December 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Intangible assets	10	6,891	6,891
Tangible assets	11	<u>147,356</u>	<u>240,614</u>
		<u>154,247</u>	<u>247,505</u>
Current assets			
Debtors	13	2,289,299	2,203,810
Cash at bank and in hand		<u>557,271</u>	<u>1,577,647</u>
		2,846,570	3,781,457
Creditors: Amounts falling due within one year	15	<u>(6,628,146)</u>	<u>(5,425,178)</u>
Net current liabilities		<u>(3,781,576)</u>	<u>(1,643,721)</u>
Total assets less current liabilities		(3,627,329)	(1,396,216)
Creditors: Amounts falling due after more than one year	15	(5,672,035)	(5,599,172)
Provisions for liabilities		<u>(11,416)</u>	<u>(13,316)</u>
Net liabilities		<u>(9,310,780)</u>	<u>(7,008,704)</u>
Capital and reserves			
Called up share capital	16	275	270
Share premium reserve		10,926,497	10,911,617
Other reserves		167,420	(14,932)
Retained earnings		<u>(20,404,972)</u>	<u>(17,905,659)</u>
Equity attributable to owners of the company		<u>(9,310,780)</u>	<u>(7,008,704)</u>
Shareholders' deficit		<u>(9,310,780)</u>	<u>(7,008,704)</u>

For the financial year ending 31 December 2020 the group was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 3 November 2022 and signed on its behalf by:

The notes on pages 13 to 27 form an integral part of these financial statements.

Houst Limited

(Registration number: 09423618)
Consolidated Balance Sheet as at 31 December 2021



James Jenkins-Yates
Signed on 03/11/22 @ 15:28

James Jenkins-Yates
Director

Houst Limited

(Registration number: 09423618)
Balance Sheet as at 31 December 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Intangible assets	10	6,891	6,891
Tangible assets	11	60,083	70,085
Investments	12	108,232	106,007
		<u>175,206</u>	<u>182,983</u>
Current assets			
Debtors	13	7,185,416	6,354,167
Cash at bank and in hand		323,328	1,199,568
		<u>7,508,744</u>	<u>7,553,735</u>
Creditors: Amounts falling due within one year	15	<u>(4,930,571)</u>	<u>(3,208,874)</u>
Net current assets		<u>2,578,173</u>	<u>4,344,861</u>
Total assets less current liabilities		2,753,379	4,527,844
Creditors: Amounts falling due after more than one year	15	<u>(5,633,468)</u>	<u>(5,555,384)</u>
Provisions for liabilities		<u>(11,416)</u>	<u>(13,316)</u>
Net liabilities		<u>(2,891,505)</u>	<u>(1,040,856)</u>
Capital and reserves			
Called up share capital	16	275	270
Share premium reserve		10,926,497	10,911,617
Other reserves		102,976	99,306
Retained earnings		<u>(13,921,253)</u>	<u>(12,052,049)</u>
Shareholders' deficit		<u>(2,891,505)</u>	<u>(1,040,856)</u>

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 13 to 27 form an integral part of these financial statements.

Houst Limited

(Registration number: 09423618)
Balance Sheet as at 31 December 2021

Approved and authorised by the Board on 3 November 2022 and signed on its behalf by:



James Jenkins-Yates
Signed on 03/11/22 @ 15:28

.....
James Jenkins-Yates
Director

Houst Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2021
Equity attributable to the parent company

	Share capital £	Share premium £	Foreign currency translation £	Other reserves £	Retained earnings £	Total £	Total equity £
At 1 January 2021	270	10,911,617	(114,238)	99,306	(17,905,659)	(7,008,704)	(7,008,704)
Loss for the year	-	-	-	-	(2,499,313)	(2,499,313)	(2,499,313)
Other comprehensive income	-	-	178,682	3,670	-	182,352	182,352
Total comprehensive income	-	-	178,682	3,670	(2,499,313)	(2,316,961)	(2,316,961)
New share capital subscribed	5	14,880	-	-	-	14,885	14,885
At 31 December 2021	275	10,926,497	64,444	102,976	(20,404,972)	(9,310,780)	(9,310,780)
	Share capital £	Share premium £	Foreign currency translation £	Other reserves £	Retained earnings £	Total £	Total equity £
At 1 January 2020	256	8,546,923	77,655	88,174	(11,600,936)	(2,887,928)	(2,887,928)
Loss for the year	-	-	-	-	(6,304,723)	(6,304,723)	(6,304,723)
Other comprehensive income	-	-	(191,893)	11,132	-	(180,761)	(180,761)
Total comprehensive income	-	-	(191,893)	11,132	(6,304,723)	(6,485,484)	(6,485,484)
New share capital subscribed	14	2,364,694	-	-	-	2,364,708	2,364,708
At 31 December 2020	270	10,911,617	(114,238)	99,306	(17,905,659)	(7,008,704)	(7,008,704)

The notes on pages 13 to 27 form an integral part of these financial statements.
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Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £	Share premium £	Other reserves £	Retained earnings £
At 1 January 2021	270	10,911,617	99,306	(12,052,049)
Loss for the year	-	-	-	(1,869,204)
Other comprehensive income	-	-	3,670	-
Total comprehensive income	-	-	3,670	(1,869,204)
New share capital subscribed	5	14,880	-	-
At 31 December 2021	275	10,926,497	102,976	(13,921,253)
				Total
				£
At 1 January 2021				(1,040,856)
Loss for the year				(1,869,204)
Other comprehensive income				3,670
Total comprehensive income				(1,865,534)
New share capital subscribed				14,885
At 31 December 2021				(2,891,505)
	Share capital £	Share premium £	Other reserves £	Retained earnings £
At 1 January 2020	256	8,546,923	88,174	(9,257,862)
Loss for the year	-	-	-	(2,794,187)
Other comprehensive income	-	-	11,132	-
Total comprehensive income	-	-	11,132	(2,794,187)
New share capital subscribed	14	2,364,694	-	-
At 31 December 2020	270	10,911,617	99,306	(12,052,049)
				Total
				£
At 1 January 2020				(622,509)
Loss for the year				(2,794,187)
Other comprehensive income				11,132
Total comprehensive income				(2,783,055)
New share capital subscribed				2,364,708
At 31 December 2020				(1,040,856)

The notes on pages 13 to 27 form an integral part of these financial statements.

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

14 St. John's Square

London

EC1M 4NL

These financial statements were authorised for issue by the Board on 3 November 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2021.

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

The financial statements have been prepared on a going concern basis.

There was a net deficiency of assets at the balance sheet date. The company is funded by long term bank loan and convertible debt. The directors are confident company's creditors are willing to support for the foreseeable future.

The current economic conditions present risks for all business. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on future trading projection, and the extent to which they might affect the preparation of financial statements on a going concern basis.

Based on this assessment the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as going concern. Thus, the directors continue to adopt the going concern basis in accounting in preparing these financial statements.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixture, fittings, tools and equipment	Over 4 years

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website cost	Over 10 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Share based payments

The group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2021	2020
	£	£
Miscellaneous other operating income	<u>224,700</u>	<u>822,817</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

4 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2021 £	2020 £
(Loss)/gain on disposal of Tangible assets	(893)	296
Gain from disposals of investments	2,445,127	-
	<u>2,444,234</u>	<u>296</u>

5 Operating loss

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	113,794	107,105
Foreign exchange losses/(gains)	16,418	(6,497)
Loss/(profit) on disposal of property, plant and equipment	893	(296)
	<u>131,105</u>	<u>99,912</u>

6 Other interest receivable and similar income

	2021 £	2020 £
Interest income on bank deposits	5,396	(2,483)
	<u>5,396</u>	<u>(2,483)</u>

7 Interest payable and similar expenses

	2021 £	2020 £
Interest on bank overdrafts and borrowings	456,873	262,025
Foreign exchange gains/(losses)	173,143	(106,690)
	<u>630,016</u>	<u>155,335</u>

8 Staff numbers

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Other departments	133	217
	<u>133</u>	<u>217</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Taxation

Tax charged/(credited) in the consolidated profit and loss account

	2021 £	2020 £
Current taxation		
UK corporation tax	(296,512)	(319,182)
UK corporation tax adjustment to prior periods	-	22,044
	<u>(296,512)</u>	<u>(297,138)</u>
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(1,900)</u>	<u>13,316</u>
Tax receipt in the income statement	<u>(298,412)</u>	<u>(283,822)</u>

10 Intangible assets

Group

	Other intangible assets £	Total £
Cost or valuation		
At 1 January 2021	<u>6,891</u>	<u>6,891</u>
At 31 December 2021	<u>6,891</u>	<u>6,891</u>
Amortisation		
Carrying amount		
At 31 December 2021	<u>6,891</u>	<u>6,891</u>
At 31 December 2020	<u>6,891</u>	<u>6,891</u>

Company

	Other intangible assets £	Total £
Cost or valuation		
At 1 January 2021	<u>6,891</u>	<u>6,891</u>
At 31 December 2021	<u>6,891</u>	<u>6,891</u>
Amortisation		
Carrying amount		
At 31 December 2021	<u>6,891</u>	<u>6,891</u>
At 31 December 2020	<u>6,891</u>	<u>6,891</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

11 Tangible assets

Group

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2021	492,366	492,366
Additions	36,516	36,516
Disposals	(73,457)	(73,457)
Foreign exchange movements	(9,221)	(9,221)
At 31 December 2021	<u>446,204</u>	<u>446,204</u>
Depreciation		
At 1 January 2021	256,647	256,647
Charge for the year	113,794	113,794
Eliminated on disposal	(68,963)	(68,963)
Foreign exchange movements	(2,630)	(2,630)
At 31 December 2021	<u>298,848</u>	<u>298,848</u>
Carrying amount		
At 31 December 2021	<u>147,356</u>	<u>147,356</u>
At 31 December 2020	<u>240,614</u>	<u>240,614</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Company

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2021	209,695	209,695
Additions	36,516	36,516
Disposals	(5,706)	(5,706)
At 31 December 2021	<u>240,505</u>	<u>240,505</u>
Depreciation		
At 1 January 2021	139,610	139,610
Charge for the year	43,477	43,477
Eliminated on disposal	(2,665)	(2,665)
At 31 December 2021	<u>180,422</u>	<u>180,422</u>
Carrying amount		
At 31 December 2021	<u>60,083</u>	<u>60,083</u>
At 31 December 2020	<u>70,085</u>	<u>70,085</u>

12 Investments

Company

	2021 £	As restated 2020 £
Investments in subsidiaries	8,232	6,007
Investments in associates	<u>100,000</u>	<u>100,000</u>
	<u>108,232</u>	<u>106,007</u>

Subsidiaries

	£
Cost or valuation	
At 1 January 2021	6,007
Additions	<u>2,225</u>
At 31 December 2021	<u>8,232</u>
Provision	
Carrying amount	
At 31 December 2021	<u>8,232</u>
At 31 December 2020	<u>6,007</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Associates	£
Cost	
At 1 January 2021	<u>100,000</u>
Provision	
Carrying amount	
At 31 December 2021	<u>100,000</u>
At 31 December 2020	<u>100,000</u>

13 Debtors

		Group		Company	
		2021	As restated 2020	2021	As restated 2020
Current	Note	£	£	£	£
Trade debtors		360,327	258,724	208,498	78,674
Amounts owed by related parties	19	-	-	6,247,470	5,670,339
Other debtors		729,265	529,740	372,217	101,088
Prepayments		70,258	83,272	45,665	58,860
Accrued income		10,089	130,302	10,089	124,775
Deferred tax assets	9	817,883	881,341	-	-
Income tax asset	9	301,477	320,431	301,477	320,431
		<u>2,289,299</u>	<u>2,203,810</u>	<u>7,185,416</u>	<u>6,354,167</u>

14 Cash and cash equivalents

	Group		Company	
	2021	As restated 2020	2021	As restated 2020
	£	£	£	£
Cash at bank	557,271	1,577,647	323,328	1,199,568
Bank overdrafts	<u>(408,666)</u>	<u>(98,864)</u>	<u>(399,377)</u>	<u>(72,982)</u>
Cash and cash equivalents in statement of cash flows	<u>148,605</u>	<u>1,478,783</u>	<u>(76,049)</u>	<u>1,126,586</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

15 Creditors

	Note	Group		Company	
		2021	As restated 2020	2021	As restated 2020
		£	£	£	£
Due within one year					
Loans and borrowings	17	478,085	173,730	399,377	78,306
Trade creditors		1,742,660	1,167,926	1,141,607	571,792
Amounts due to related parties	19	-	-	465,975	379,654
Social security and other taxes		2,388,457	1,620,515	1,770,313	1,030,707
Outstanding defined contribution pension costs		11,336	9,316	11,336	8,332
Other payables		1,084,798	1,512,471	641,565	683,681
Accruals		915,402	506,957	500,398	29,070
Income tax liability	9	-	49	-	-
Deferred income		7,408	434,214	-	427,332
		<u>6,628,146</u>	<u>5,425,178</u>	<u>4,930,571</u>	<u>3,208,874</u>
Due after one year					
Loans and borrowings	17	<u>5,672,035</u>	<u>5,599,172</u>	<u>5,633,468</u>	<u>5,555,384</u>

16 Share capital

Allotted, called up and fully paid shares

	2021		As restated 2020	
	No.	£	No.	£
Series A Preferred of £0.000123 each	1,002,011	123	1,002,011	123
Ordinary of £0.000123 each	1,370,033	169	1,370,033	169
	<u>2,372,044</u>	<u>292</u>	<u>2,372,044</u>	<u>292</u>

17 Loans and borrowings

	Group		Company	
	2021	As restated 2020	2021	As restated 2020
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	2,444,893	2,588,464	2,406,326	2,544,676
Convertible debt	<u>3,227,142</u>	<u>3,010,708</u>	<u>3,227,142</u>	<u>3,010,708</u>
	<u>5,672,035</u>	<u>5,599,172</u>	<u>5,633,468</u>	<u>5,555,384</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

	Group		Company	
	2021	As restated 2020	2021	As restated 2020
	£	£	£	£
Current loans and borrowings				
Bank borrowings	10,648	11,535	-	5,324
Bank overdrafts	408,666	98,864	399,377	72,982
Other borrowings	58,771	63,331	-	-
	<u>478,085</u>	<u>173,730</u>	<u>399,377</u>	<u>78,306</u>

18 Share-based payments

Scheme details and movements

The group granted options to certain employees and directors. As of 31st December 2020, employees and directors hold options to subscribe for up to 265,931 shares in the company. Out of this 72,005 share options were granted during November 2015 at 40p per share and remaining 193,926 share options were granted in between July 2017 and November 2018 at £3.42 per share. Options are considered vested when the employee is allowed to exercise these. Options expire ten years from the grant date. The company has no legal or constructive obligation to repurchase or settle the options in cash.

19 Related party transactions

Group

Summary of transactions with entities with joint control or significant interest

All intercompany transactions have been eliminated on consolidation. Therefore no disclosure have been made.

Company

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Transactions with directors

	At 1 January 2021 £	Advances to director £	At 31 December 2021 £
2021			
James Jenkins-Yates	<u>15,278</u>	<u>13,756</u>	<u>29,034</u>
	At 1 January 2020 £	Advances to director £	At 31 December 2020 £
2020			
James Jenkins-Yates	<u>-</u>	<u>15,278</u>	<u>15,278</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

20 Non adjusting events after the financial period

In July 2022 the Company obtained sanction from the High Court of Justice in relation to its Part 26A restructuring plan, with an effective date of 5th September 2022.

The restructuring plan was funded by the issue of 22,183,395 preference shares at £0.0229 per share and resulted in the mitigation of £7.25m of the Company's liabilities.

21 Prior year adjustment

The prior year adjustment arose due to reclassification between share capital and share premium.

Consolidated Balance Sheet at 31 December 2020

	As originally reported £	Reclassification £	As restated £
Fixed assets			
Intangible assets	6,891	-	6,891
Tangible assets	240,614	-	240,614
	<u>247,505</u>	<u>-</u>	<u>247,505</u>
Current assets			
Debtors	2,203,810	-	2,203,810
Cash at bank and in hand	1,577,647	-	1,577,647
	<u>3,781,457</u>	<u>-</u>	<u>3,781,457</u>
Creditors: Amounts falling due within one year	<u>(5,425,178)</u>	<u>-</u>	<u>(5,425,178)</u>
Net current liabilities	<u>(1,643,721)</u>	<u>-</u>	<u>(1,643,721)</u>
Total assets less current liabilities	<u>(1,396,216)</u>	<u>-</u>	<u>(1,396,216)</u>
Creditors: Amounts falling due after more than one year	<u>(5,599,172)</u>	<u>-</u>	<u>(5,599,172)</u>
Provisions for liabilities	<u>(13,316)</u>	<u>-</u>	<u>(13,316)</u>
Net liabilities	<u>(7,008,704)</u>	<u>-</u>	<u>(7,008,704)</u>
Capital and reserves			
Called up share capital	(292)	22	(270)
Share premium reserve	(10,911,595)	(22)	(10,911,617)
Other reserves	14,932	-	14,932
Retained earnings	<u>17,905,659</u>	<u>-</u>	<u>17,905,659</u>
Total equity	<u>7,008,704</u>	<u>-</u>	<u>7,008,704</u>

Houst Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

The prior year adjustment arose due to reclassification between share capital and share premium.

Balance Sheet at 31 December 2020

	As originally reported £	Reclassification £	As restated £
Fixed assets			
Intangible assets	6,891	-	6,891
Tangible assets	70,085	-	70,085
Investments	106,007	-	106,007
	<u>182,983</u>	<u>-</u>	<u>182,983</u>
Current assets			
Debtors	6,354,167	-	6,354,167
Cash at bank and in hand	1,199,568	-	1,199,568
	7,553,735	-	7,553,735
Creditors: Amounts falling due within one year	<u>(3,208,874)</u>	<u>-</u>	<u>(3,208,874)</u>
Net current assets	4,344,861	-	4,344,861
Total assets less current liabilities	4,527,844	-	4,527,844
Creditors: Amounts falling due after more than one year	(5,555,384)	-	(5,555,384)
Provisions for liabilities	<u>(13,316)</u>	<u>-</u>	<u>(13,316)</u>
Net liabilities	<u>(1,040,856)</u>	<u>-</u>	<u>(1,040,856)</u>
Capital and reserves			
Called up share capital	(292)	22	(270)
Share premium reserve	(10,911,595)	(22)	(10,911,617)
Other reserves	(99,306)	-	(99,306)
Retained earnings	12,052,049	-	12,052,049
Total equity	<u>1,040,856</u>	<u>-</u>	<u>1,040,856</u>