

**UNDER THE DOORMAT LIMITED**

**UNAUDITED**

**PAGES FOR FILING WITH REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2019**



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## UNDER THE DOORMAT LIMITED

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### DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2019

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The Director presents her report and the financial statements for the year ended 31 March 2019.

#### 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.

#### Business Activity

The year ended 31 March 2019 the company invested in the foundations for strong future growth. These include establishing a scalable field team to support expanded operations, bespoke technology to drive scalability and efficiency, and dynamic pricing technology to drive higher gross margin. The board decided to focus on a B2B model for homeowner growth in Q4 alongside B2C which has impacted portfolio growth in the short term, but will pave the way for increased profit growth going forward. This will build on the new Brand and bespoke website which were built in the financial year and launched shortly after to further our position at the luxury end of the market. The year ahead the company is expected to continue to deliver the improved unit economics and reap the efficiencies from the technology and strategic investments made in this year.

#### Director

The Director who served during the year and her interest in the Company's issued share capital was:

	Ordinary shares of 0.2p each	
	31/3/19	1/4/18
Merilee E Karr	100,000	100,000

#### 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:  
  
.....5362D33CD703429.....  
**Merilee E Karr**  
Director

Date: 05-12-19

**UNDER THE DOORMAT LIMITED**  
**REGISTERED NUMBER: 08968561**

**BALANCE SHEET**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	6,619	9,814
		<u>6,619</u>	<u>9,814</u>
<b>Current assets</b>			
Debtors	5	304,115	208,989
Cash at bank and in hand	6	76,724	59,745
		<u>380,839</u>	<u>268,734</u>
Creditors: amounts falling due within one year	7	(331,697)	(457,437)
<b>Net current assets/(liabilities)</b>		<u>49,142</u>	<u>(188,703)</u>
<b>Total assets less current liabilities</b>		<u>55,761</u>	<u>(178,889)</u>
<b>Provisions for liabilities</b>			
Deferred tax	8	(1,258)	(1,865)
		<u>(1,258)</u>	<u>(1,865)</u>
<b>Net assets/(liabilities)</b>		<u><u>54,503</u></u>	<u><u>(180,754)</u></u>
<b>Capital and reserves</b>			
Called up share capital		302	259
Share premium account		1,225,968	484,358
Profit and loss account		(1,171,767)	(665,371)
		<u><u>54,503</u></u>	<u><u>(180,754)</u></u>

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**UNDER THE DOORMAT LIMITED**  
**REGISTERED NUMBER: 08968561**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2019**

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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 income and retained earnings in accordance with provisions 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*  
.....5382D88008D3429.....  
**Merilee E Karr**  
Director

Date: 05-12-19

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

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## UNDER THE DOORMAT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 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 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 Income and Retained Earnings 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 Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

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## UNDER THE DOORMAT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.4 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 in.

##### 2.5 Operating leases: the Company as lessee

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

##### 2.6 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

##### 2.7 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

##### 2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

##### 2.9 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 Income and Retained Earnings 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.

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## UNDER THE DOORMAT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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## 2. Accounting policies (continued)

### 2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

### 2.11 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.

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 Income and Retained Earnings.

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## UNDER THE DOORMAT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.12 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.

##### 2.13 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.

##### 2.14 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.

##### 2.15 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 Income and Retained Earnings 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.

##### 2.16 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.

#### 3. Employees

The average monthly number of employees, including directors, during the year was 17 (2018 - 16).



**UNDER THE DOORMAT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**4. Tangible fixed assets**

	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2018	3,995	6,802	21,048	31,845
Additions	1,036	-	-	1,036
At 31 March 2019	<u>5,031</u>	<u>6,802</u>	<u>21,048</u>	<u>32,881</u>
<b>Depreciation</b>				
At 1 April 2018	1,752	2,449	17,830	22,031
Charge for the year on owned assets	1,085	1,537	1,609	4,231
At 31 March 2019	<u>2,837</u>	<u>3,986</u>	<u>19,439</u>	<u>26,262</u>
<b>Net book value</b>				
At 31 March 2019	<u>2,194</u>	<u>2,816</u>	<u>1,609</u>	<u>6,619</u>
At 31 March 2018	<u>2,243</u>	<u>4,353</u>	<u>3,218</u>	<u>9,814</u>

**5. Debtors**

	2019 £	2018 £
<b>Due after more than one year</b>		
Other debtors	11,401	8,592
Deferred tax asset	274,058	154,422
	<u>285,459</u>	<u>163,014</u>
<b>Due within one year</b>		
Trade debtors	89	-
Other debtors	5,727	40,717
Prepayments and accrued income	12,840	5,258
	<u>304,115</u>	<u>208,989</u>

**UNDER THE DOORMAT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**6. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	76,725	59,745
	<u>76,725</u>	<u>59,745</u>

**7. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Loans	64,323	-
Trade creditors	18,575	8,759
Paid up capital - (to issue)	4,000	229,000
Other taxation and social security	8,184	18,325
Pension fund	1,205	648
Accommodation advances and deposits	143,681	149,995
Accruals and deferred income	5,852	3,374
Amounts owed back to director	74,400	31,412
Homeowner expenses	6,984	15,591
Other creditors	4,493	333
	<u>331,697</u>	<u>457,437</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.

**8. Deferred taxation**

	2019 £	2018 £
At beginning of year	152,557	74,551
Charged to profit or loss	120,244	78,006
<b>At end of year</b>	<u>272,801</u>	<u>152,557</u>

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**UNDER THE DOORMAT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**8. Deferred taxation (continued)**

The deferred tax balance is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(1,258)	(1,865)
Tax losses carried forward	274,059	154,422
	<u>272,801</u>	<u>152,557</u>
<b>Comprising:</b>		
Asset - due after one year	274,058	154,422
Liability	(1,258)	(1,865)
	<u>272,800</u>	<u>152,557</u>

**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 £5,467 (2018 - £1,712). Contributions totalling £1,205 (2018 - £648) were payable to the fund at the balance sheet date and are included in creditors.

**10. Commitments under operating leases**

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	22,006	13,542
Later than 1 year and not later than 5 years	12,820	-
	<u>34,826</u>	<u>13,542</u>

The operating lease represents commitments under the rental agreement in respect of the company's premises.

**11. Controlling party**

The company is ultimately legally controlled by Merilee Karr by virtue of her majority interest in the issued share capital of the company.