

Report of the Director and
Unaudited Financial Statements for the Year Ended 31 December 2019
for
CATAWIKI UK LTD

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CATAWIKI UK LTD

Contents of the Financial Statements
for the year ended 31 December 2019

	Page
Company Information	1
Report of the Director	2
STATEMENT OF COMPREHENSIVE INCOME	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7

CATAWIKI UK LTD

Company Information
for the year ended 31 December 2019

DIRECTOR: R Vora

REGISTERED OFFICE: 5th Floor, 6 St Andrew Street
London
EC4A 3AE

REGISTERED NUMBER: 09833871 (England and Wales)

ACCOUNTANTS: TMF Global Services (UK) Ltd
20 Farringdon Street
London
United Kingdom
EC4A 4AB

CATAWIKI UK LTD

Report of the Director **for the year ended 31 December 2019**

The director presents his report with the financial statements of the company for the year ended 31 December 2019.

The financial statements have been prepared in accordance with The Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

No strategic report has been prepared as the Director has opted to apply exemption available relating to small companies as per Section 414B of Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review is that of sales support and curation services to group companies that operate an online platform for the sale of special objects.

REVIEW OF BUSINESS

The profit for the year before taxation amounted to £30,620 (2018: £20,142).

FUTURE DEVELOPMENTS

The director does not envisage any changes in the activities of the Company, but expects stable organisation and continued revenue growth in the foreseeable future.
XX
XXXXXXXXXXXX

DIRECTOR

R Vora held office during the whole of the period from 1 January 2019 to the date of this report.

GOING CONCERN

The Company shows a profit during the year with a net current position of £53,426 (2018: £28,624). The Parent of the Company, Catawiki Services NL B.V., has indicated its willingness to continue to purchase services from the Company at the agreed arm's length mark up on cost. Therefore the Director has concluded that the use of the going concern principal is appropriate.

Looking at recent events at the time of completing these annual accounts, the COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. Catawiki has taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our people (like social distancing and working from home). Catawiki will continue to follow the various national institutes policies and advice and in parallel will do its utmost to continue its operations in the best and safest way possible without jeopardizing the health of its people.

At this stage, the impact on the business and results is limited, mainly impacting the growth rate. Catawiki is carefully considering its expenditures and investments for future growth to mitigate potential negative effects of the COVID-19 outbreak.

Whilst uncertain, we do not believe, however, that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity.

DIVIDENDS

The director does not recommend the payment of a dividend for the year ended 31 December 2019 (2018: £Nil).

CATAWIKI UK LTD

Report of the Director
for the year ended 31 December 2019

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

ON BEHALF OF THE BOARD:



.....
R Vora - Director

Date: 16 December 2020

CATAWIKI UK LTD**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER	3	483,125	422,982
Cost of sales		<u>(2,664)</u>	<u>(3,026)</u>
GROSS PROFIT		480,461	419,956
Administrative expenses		<u>(449,841)</u>	<u>(399,814)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		30,620	20,142
Tax on profit	6	<u>(5,818)</u>	<u>(3,827)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>24,802</u>	<u>16,315</u>

The notes form part of these financial statements

CATAWIKI UK LTD (REGISTERED NUMBER: 09833871)

Statement of Financial Position
31 December 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	7	60,160	24,184
Cash in hand	8	<u>24,285</u>	<u>35,459</u>
		84,445	59,643
CREDITORS			
Amounts falling due within one year	9	<u>(31,019)</u>	<u>(31,019)</u>
NET CURRENT ASSETS		<u>53,426</u>	<u>28,624</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>53,426</u>	<u>28,624</u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Retained earnings	11	<u>53,425</u>	<u>28,623</u>
SHAREHOLDERS' FUNDS		<u>53,426</u>	<u>28,624</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2019.

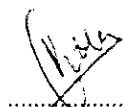
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the director and authorised for issue on 16 December 2020 and were signed by:



.....
R Vora - Director

The notes form part of these financial statements

CATAWIKI UK LTD**Statement of Changes in Equity**
for the year ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	-	12,308	12,308
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive income	-	16,315	16,315
Balance at 31 December 2018	<u>1</u>	<u>28,623</u>	<u>28,624</u>
Changes in equity			
Total comprehensive income	-	24,802	24,802
Balance at 31 December 2019	<u>1</u>	<u>53,425</u>	<u>53,426</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Catawiki UK Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of preparation

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29.

Turnover

The Company generates revenue from rendering supporting services in the areas of lot curation, marketing and sales to its Parent Company, Catwalk Services NL B.V.

Service Fee

The Company receives a monthly service fee from its parent company Catwalk Services NL B.V, equal to its direct and indirect costs incurred in performing the services increased by an arm's length mark up, which currently amounts to 5%.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. At the statement of financial position date the Company had deferred tax assets.

Foreign currencies

Foreign currency transactions are recorded at the exchange rate ruling on the date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated at the rate of exchange ruling in the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and monies in current bank accounts.

Trade and other debtors

Trade debtors consist of amounts owed by related parties and recoverable VAT. Amounts owed to the Company are measured at historical cost. Appropriate allowance for any irrecoverable amounts is estimated and recognised in the statement of comprehensive income and where is objective evidence that the asset is impaired.

Trade creditors and accrued expenses

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade and other creditors are measured at historical cost. Accrued expenses are recognised when the amount can be measured reliably.

Going concern

The Company shows a profit during the year with a net current position of £49,763 (2018: £28,624). The Parent of the Company, Catawiki Services NL B.V., has indicated its willingness to continue to purchase services from the Company at the agreed arm's length mark up on cost. Therefore the Director has concluded that the use of the going concern principal is appropriate.

Looking at recent events at the time of completing these annual accounts, the COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. Catawiki has taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our people (like social distancing and working from home). Catawiki will continue to follow the various national institutes policies and advice and in parallel will do its utmost to continue its operations in the best and safest way possible without jeopardizing the health of its people.

At this stage, the impact on the business and results is limited, mainly impacting the growth rate. Catawiki is carefully considering its expenditures and investments for future growth to mitigate potential negative effects of the COVID-19 outbreak.

Whilst uncertain, we do not believe, however, that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity.

Critical accounting judgement and key sources of estimation uncertainty

In the application of accounting policies of the Company, the director is required to make judgements, estimates, and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The director believes that there is no critical accounting estimate or judgement relevant to this Company.

Notes to the Financial Statements - continued
for the year ended 31 December 2019**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Service Fee	<u>483,125</u>	<u>422,982</u>
	<u>483,125</u>	<u>422,982</u>

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	360,892	331,126
Social security costs	34,702	29,463
Other pension costs	<u>5,732</u>	<u>3,596</u>
	<u>401,326</u>	<u>364,185</u>

The average number of employees during the year was as follows:

	2019	2018
General staff	<u>13</u>	<u>16</u>

The director received no remuneration during the year (2018:£nil) from Catawiki UK Limited.

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Foreign exchange differences	<u>428</u>	<u>(11)</u>

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	<u>5,818</u>	<u>3,827</u>
Tax on profit	<u>5,818</u>	<u>3,827</u>

Factors that may affect future charges

The Finance Bill 2020, substantively enacted on 17 March 2020, announced that the reduction in corporation tax effective from 1 April 2020 of 17% has been scrapped. The corporation tax main rate of 19% will continue to apply from 1 April 2020. Existing temporary differences may therefore unwind in periods subject to these reduced rates.

CATAWIKI UK LTD**Notes to the Financial Statements - continued
for the year ended 31 December 2019****7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	4,406	-
Amounts owed by group undertakings	53,338	22,474
Other debtors	<u>2,416</u>	<u>1,710</u>
	<u>60,160</u>	<u>24,184</u>

The amounts owed by group undertakings are interest free and not repayable on demand.

8. CASH IN HAND

	2019	2018
	£	£
Cash in hand	<u>24,285</u>	<u>35,459</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	-	7,680
Taxation and social security	9,640	3,827
Other creditors	<u>21,379</u>	<u>19,512</u>
	<u>31,019</u>	<u>31,019</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
1	Ordinary	1	<u>1</u>	<u>1</u>

All ordinary shares have full rights in the Company with respect to voting, dividends and distributions.

There were no further ordinary shares issued during the year (2018: £Nil).

11. RESERVES

	Retained earnings
	£
At 1 January 2019	28,623
Profit for the year	<u>24,802</u>
At 31 December 2019	<u>53,425</u>

12. COMMITMENTS AND CONTINGENCIES

There are no commitments and contingencies as at 31 December 2019 (2018: £Nil)

13. RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Catawiki Services NL B.V. and as such has taken advantage of the exemption permitted by section 33 'related Party disclosure' not to provide disclosures of transactions entered into with other wholly owned members of the group. The Company is included within the consolidated financial statements of Catawiki Services NL B.V., which can be obtained from Overcingellaan 5, 9401 LA Assen, The Netherlands.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Catawiki B.V., registered in the Netherlands, is the ultimate parent undertaking. The largest and smallest group in which the results of the Company are consolidated is Catawiki B.V. Its financial statements are available from Overcingellaan 5, 9401 LA Assen, The Netherlands.

15. POST BALANCE SHEET EVENTS

On 30 January 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of COVID-19 a "Public Health Emergency of International Concern".

The consequence of COVID-19, where many governments have decided to "close down countries" will have a significant impact on the world economy.

Management has assessed the consequence of COVID-19 as a non-adjusting event but has decided to disclose assessment of impact. This event, in management's opinion, does not provide evidence of conditions that have direct impact on the company's business operations, assets and liabilities.