

Houseofdotcom Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2021

BJP Finance Ltd
Chartered Accountants
34 Market Street
Bradford-On-Avon
Wiltshire
BA15 1LL

Houseofdotcom Ltd

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Houseofdotcom Ltd

Company Information

Directors	Mrs Helen White Mr Michael Jones
Registered office	34 Market Street Bradford-On-Avon Wiltshire BA15 1LL
Accountants	BJP Finance Ltd Chartered Accountants 34 Market Street Bradford-On-Avon Wiltshire BA15 1LL

Houseofdotcom Ltd

(Registration number: 11526636) Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	503	947
Current assets			
Stocks	<u>5</u>	267,150	71,506
Debtors	<u>6</u>	43,717	18,734
Cash at bank and in hand		<u>54,749</u>	<u>39,835</u>
		365,616	130,075
Creditors: Amounts falling due within one year	<u>7</u>	<u>(170,532)</u>	<u>(48,312)</u>
Net current assets		<u>195,084</u>	<u>81,763</u>
Total assets less current liabilities		195,587	82,710
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(533,855)</u>	<u>(129,997)</u>
Provisions for liabilities		<u>(96)</u>	<u>(180)</u>
Net liabilities		<u><u>(338,364)</u></u>	<u><u>(47,467)</u></u>
Capital and reserves			
Called up share capital	<u>8</u>	1	1
Share premium reserve		160,000	160,000
Other reserves		19,576	-
Profit and loss account		<u>(517,941)</u>	<u>(207,468)</u>
Shareholders' deficit		<u><u>(338,364)</u></u>	<u><u>(47,467)</u></u>

For the financial year ending 31 August 2021 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.

Approved and authorised by the Board on 24 May 2022 and signed on its behalf by:

Houseofdotcom Ltd

(Registration number: 11526636)
Balance Sheet as at 31 August 2021

.....
Mrs Helen White
Director

.....
Mr Michael Jones
Director

Houseofdotcom Ltd

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

1 General information

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

The address of its registered office is:

34 Market Street
Bradford-On-Avon
Wiltshire
BA15 1LL
England

These financial statements were authorised for issue by the Board on 24 May 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 have been 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.

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 company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company 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 company's activities.

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 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.

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

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 company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the 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
Office Equipment	25% straight line
Computer Equipment	50% straight line

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 company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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

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 company 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.

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 company 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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2020 - 4).

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

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 September 2020	4,900	4,900
At 31 August 2021	4,900	4,900
Depreciation		
At 1 September 2020	3,954	3,954
Charge for the year	443	443
At 31 August 2021	4,397	4,397
Carrying amount		
At 31 August 2021	503	503
At 31 August 2020	947	947

5 Stocks

	2021 £	2020 £
Other inventories	267,150	71,506

6 Debtors

	2021 £	2020 £
Trade debtors	39,475	6,827
Prepayments	337	-
Other debtors	3,905	11,907
	43,717	18,734

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

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	9	47,072	10,297
Trade creditors		85,995	9,709
Taxation and social security		24,433	6,819
Accruals and deferred income		5,580	1,850
Other creditors		7,452	19,637
		<u>170,532</u>	<u>48,312</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	<u>533,855</u>	<u>129,997</u>

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary Shares of £0.00 each	114,863	1.15	114,863	1.15
	<u>114,863</u>	<u>1.15</u>	<u>114,863</u>	<u>1.15</u>

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	225,000	50,000
Convertible debt	178,859	-
Other borrowings	<u>129,996</u>	<u>79,997</u>
	<u>533,855</u>	<u>129,997</u>

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

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	25,000	-
Convertible debt	4,325	-
Other borrowings	17,747	10,297
	<u>47,072</u>	<u>10,297</u>

10 Related party transactions

Key Management:

The Directors Helen White and Michael Jones have made loans to the Company totalling £129,997 (2020:£79,997). The aggregate cash loans to the Company from the Founders, worth £129,997, (the "Founder Loans") comprising £89,997 from Michael Jones and £40,000 from Helen White, will stay as debt until the Company is able to repay the Founder Loan out of its free cash flow and with Board approval. The expectation is this will not be within the next 12 months so the loans are disclosed within creditors due in more than 1 year on the balance sheet.

Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £	2020 £
Remuneration	<u>130,000</u>	<u>130,000</u>

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

Loans from related parties

	Parent	Total
2020	£	£
At start of period	693,383	693,383
Impairment	<u>(693,383)</u>	<u>(693,383)</u>
At end of period	<u>-</u>	<u>-</u>

Terms of loans from related parties

In earlier financial years, the Company received a loan from its former parent Haomai Investment Limited, a Company registered in Hong Kong with Company number 2725816. This loan carried a NIL interest rate and was repayable on demand and as such was disclosed within creditors due within one year on the balance sheet under the amortised cost convention.

On 7 November 2019, Haomai Investment Limited sold its 75% shareholding in the Company, and as part of this agreement, the previous loan of £693,383 was released in full and a certificate of no indebtedness issued to the Company and its continuing shareholders. In the financial statements to 31 August 2020, this release of the loan was reported as exceptional income.

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.