

COMPANY REGISTRATION NUMBER: 09678088

Drooms (International) Ltd
Filleted Financial Statements
31 December 2020

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Drooms (International) Ltd

Statement of Financial Position

31 December 2020

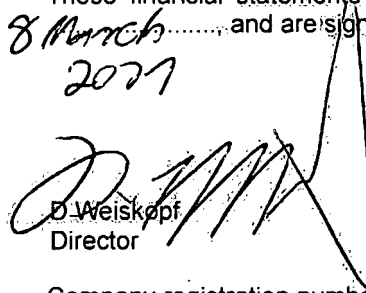
| | Note | 2020 £ | 2019 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 4,718 | 4,183 |
| Current assets | | | |
| Debtors | 6 | 459,171 | 291,246 |
| Cash at bank and in hand | | 35,761 | 90,767 |
| | | <u>494,932</u> | <u>382,013</u> |
| Creditors: amounts falling due within one year | 7 | <u>(406,901)</u> | <u>(318,782)</u> |
| Net current assets | | <u>88,031</u> | <u>63,231</u> |
| Total assets less current liabilities | | <u>92,749</u> | <u>67,414</u> |
| Net assets | | <u>92,749</u> | <u>67,414</u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | 92,649 | 67,314 |
| Shareholders funds | | <u>92,749</u> | <u>67,414</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 8 March 2021 and are signed on behalf of the board by:

8 March
2021

D. Weiskopf
Director

Company registration number: 09678088

8 March 2021

The notes on pages 3 to 7 form part of these financial statements.

Drooms (International) Ltd

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 11-12 Tokenhouse Yard, London, EC2R 7AS, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company made a profit before tax of £32,804 (2019: profit before tax of £38,005) during the year and had net assets of £92,749 (2019: £67,414) at the balance sheet date. The directors have considered the basis of preparation of the financial statements and have concluded that it is appropriate to prepare these on the going concern basis as it will continue to receive support from the parent company, Drooms AG, for at least 12 months from the signing of the financial statements.

The directors have considered the impact of the ongoing Covid-19 viral pandemic, and are confident that the impact of Covid-19 in the next 12 months will not lead to the company or parent no longer being a going concern. It is considered that the service that Drooms provide is not directly affected by Covid-19, with services being provided remotely. The directors of the company are confident that they will be able to continue trading for at least 12 months from the signing of the financial statements regardless of the continued impact of Covid-19, as far as is reasonably estimable.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgement is applied in the selection of a fixed asset depreciation policy, but this is considered to be in line with industry-standard and not to represent any risk to the financial statements as presented. Provisions against doubtful debts are made where required, but on the basis of underlying commercial substance of balances outstanding.

There are no areas involving a higher degree of judgment or complexity, or further areas where assumptions and estimates are significant to the financial information.

Drooms (International) Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Turnover / revenue recognition

Turnover relates to the value of the work done in the period, including estimates of amounts not invoiced and is stated after trade discounts, other taxes and net of VAT. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated.

Management charges receivable, which are included in turnover, are charges billed to group entities at a mark-up of a 5% handling fee on cost.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Drooms (International) Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment - 25% straight line

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 10 (2019: 10).

Drooms (International) Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Tangible assets

| | Computer equipment £ | Total £ |
|----------------------------|----------------------------|---------------|
| Cost | | |
| At 1 January 2020 | 11,640 | 11,640 |
| Additions | 3,137 | 3,137 |
| At 31 December 2020 | <u>14,777</u> | <u>14,777</u> |
| Depreciation | | |
| At 1 January 2020 | 7,457 | 7,457 |
| Charge for the year | 2,602 | 2,602 |
| At 31 December 2020 | <u>10,059</u> | <u>10,059</u> |
| Carrying amount | | |
| At 31 December 2020 | <u>4,718</u> | <u>4,718</u> |
| At 31 December 2019 | <u>4,183</u> | <u>4,183</u> |

6. Debtors

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Trade debtors | 60,444 | 34,385 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 364,525 | 222,858 |
| Other debtors | 34,202 | 34,003 |
| | <u>459,171</u> | <u>291,246</u> |

7. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Trade creditors | 1,655 | 5,687 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 284,235 | 199,306 |
| Corporation tax | 7,469 | 7,760 |
| Social security and other taxes | 22,087 | 23,417 |
| Other creditors | 91,455 | 82,612 |
| | <u>406,901</u> | <u>318,782</u> |

8. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 £ | 2019 £ |
|--|----------------|---------------|
| Not later than 1 year | 96,000 | 89,820 |
| Later than 1 year and not later than 5 years | 8,000 | 7,875 |
| | <u>104,000</u> | <u>97,695</u> |

Drooms (International) Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

9. Summary audit opinion

The auditor's report for the year, dated 10 March 2021, was unqualified.

The senior statutory auditor was Terrence Bourne, for and on behalf of Shipleys LLP.

10. Related party transactions

The company was under the control of Drooms AG, the controlling party throughout the year.

The company has transactions with Drooms AG, and Drooms GmbH, a company under common ownership as part of the Drooms group. The company incurs costs of any rechargeable services provided, incurs and charges interest on intercompany balances due, and is due revenue on trade incurred to carry out the UK trade of the group as owned by the ultimate parent company. Transactions with group members are summarised below:

The company has been recharged by Drooms GmbH for administrative costs totalling £61,795 (2019: £50,401), and has been charged interest payable of £5,549 on intercompany balances due (2019: £3,590). Revenue for the applicable services of the company charged to Drooms GmbH is £4,997 (2019: £nil). The balance due to Drooms GmbH as at 31 December 2020 is £284,235 (2019: £199,306).

For the applicable services of the company, revenue of £938,305 is charged to Drooms AG (2019: £1,051,597). Net interest receivable of £3,542 was recognised on intercompany balances due back to the company (2019: £1,888). The balance due from Drooms AG as at 31 December 2020 is £364,525 (2019: £222,858).

11. Controlling party

The parent undertaking and controlling party is Drooms AG, which controls 100% of the ordinary issued share capital, a company incorporated in Switzerland.