

Financial Statements for the Year Ended 30 June 2021

for

Airtasker UK Limited

MCA Banbury Ltd
Chartered Accountants and
Registered Auditors
4-6 The Wharf Centre
Wharf Street
Warwick
CV34 5LB

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for the Year Ended 30 June 2021

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DIRECTORS:

P J Christmas
T J Fung

REGISTERED OFFICE:

3 The Courtyard
Timothys Bridge Road
Stratford-Upon-Avon
England
CV37 9NP

REGISTERED NUMBER:

10905556 (England and Wales)

AUDITORS:

MCA Banbury Ltd
Chartered Accountants and
Registered Auditors
4-6 The Wharf Centre
Wharf Street
Warwick
CV34 5LB

Balance Sheet
30 June 2021

	Notes	30.6.21 £	£	30.6.20 £	£
FIXED ASSETS					
Intangible assets	6		883		883
CURRENT ASSETS					
Debtors	7	13,108		15,874	
Cash at bank		<u>276,449</u>		<u>180,000</u>	
		289,557		195,874	
CREDITORS					
Amounts falling due within one year	8	<u>4,520,563</u>		<u>4,285,521</u>	
NET CURRENT LIABILITIES			<u>(4,231,006)</u>		<u>(4,089,647)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(4,230,123)</u>		<u>(4,088,764)</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Retained earnings			<u>(4,230,223)</u>		<u>(4,088,864)</u>
SHAREHOLDERS' FUNDS			<u>(4,230,123)</u>		<u>(4,088,764)</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 7 June 2022 and were signed on its behalf by:

T J Fung - Director

Notes to the Financial Statements
for the Year Ended 30 June 2021

1. STATUTORY INFORMATION

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

The address of its registered office is:

3 The Courtyard
Timothys Bridge Road
Stratford-Upon-Avon
England
CV37 9NP
United Kingdom

The principal place of business is:

Huckletree Shoreditch
Alphabeta
Finsbury Square
EC2A 1AH

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

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.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

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.

Going Concern

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

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

3. **ACCOUNTING POLICIES - continued**

Revenue recognition

The company recognises turnover as follows:

Turnover is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises turnover when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby turnover will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative turnover recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as unclaimed customer credits and contract liabilities.

The company's turnover is comprised of service fee revenue. The service fee is charged to the tasker and is a percentage of the task value of the contract formed between the company, customer and tasker calculated at task completion. The company has one integrated performance obligation in relation to service fee revenue which is considered satisfied when its overall end-to-end service offerings to the customer is delivered upon task completion. The service offerings available to the company's customers are listed below:

- initial connection between the customer and tasker at task assignment when a contract is formed between the company, customer and tasker and the transaction price is determined;
- the facilitation of secure payments between the customer and tasker by the escrow of the transaction price upon task assignment and the disbursement to the tasker on task completion; and
- the provision of other services on the company's platform such as customer support, insurance and mechanisms for messaging and feedback.

From the customer's perspective, the company's promised distinct services are only transferred to the customer on task completion and it is at this point in time in which the performance obligation is satisfied and service fee revenue is recognised.

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.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

3. **ACCOUNTING POLICIES - continued**

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other Financial Assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

3. ACCOUNTING POLICIES - continued

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt Instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other Financial Liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of Financial Liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Intangible assets

Intangible assets are initially measured at cost. Patents and trademarks have indefinite useful lives and are not amortised; they are subsequently measured at cost less any impairment.

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.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2020 - 2) .

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

5. **AUDITORS' REMUNERATION**

	30.6.21 £	30.6.20 £
Fees payable to the company's auditors for the audit of the company's financial statements	6,500	7,500
Total audit fees	<u>6,500</u>	<u>7,500</u>

6. **INTANGIBLE FIXED ASSETS**

		Patents and licences £
COST		
At 1 July 2020		
and 30 June 2021		<u>883</u>
NET BOOK VALUE		
At 30 June 2021		<u>883</u>
At 30 June 2020		<u>883</u>

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.21 £	30.6.20 £
Other debtors	<u>13,108</u>	<u>15,874</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.21 £	30.6.20 £
Trade creditors	110,320	-
Amounts owed to group undertakings	4,338,699	4,221,219
Taxation and social security	39,854	21,607
Other creditors	31,690	42,695
	<u>4,520,563</u>	<u>4,285,521</u>

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			30.6.21 £	30.6.20 £
Number:	Class:	Nominal value:		
100	Ordinary	1	<u>100</u>	<u>100</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Martin Cox FCA (Senior Statutory Auditor)
for and on behalf of MCA Banbury Ltd

11. PARENT AND ULTIMATE PARENT UNDERTAKING

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

12. ULTIMATE CONTROLLING PARTY

The ultimate parent is Airtasker Ltd, incorporated in Australia, whose Principal Place of Business is Level 3, 71 York Street, Sydney, NSW 2000, Australia.

13. GOING CONCERN

The financial statements have been prepared on the going concern basis, which may not be appropriate as the company has incurred net losses of £141,359 (2020 - £68,898), and reported net liabilities of £4,231,006 (2020 - £4,089,647).

The company's ability to continue as a going concern is dependent on the continued support of the company's parent, Airtasker Ltd, providing adequate facilities to enable the company to discharge its liabilities as they fall due. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that, this support will continue indefinitely, although at the date of approval of these financial statements, the company's parent undertaking has confirmed that the necessary support will be made available for the foreseeable future.

Based on this, the directors believe that it remains appropriate to prepare financial statements on a going concern basis. The financial statements do not include any adjustments which would result from the basis of preparation being inappropriate.

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.