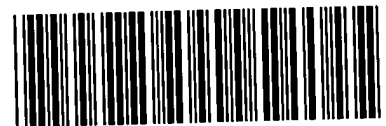


REGISTERED NUMBER: 09392688 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 December 2017
for
Airbnb Payments UK Limited**

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for the Year Ended 31 December 2017**

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Airbnb Payments UK Limited
Company Information
for the Year Ended 31 December 2017

Directors: S Mehta
H Moussa
Mike Liberatore (appointed 15th March 2018)

Secretary: Jordan Company Secretaries Ltd

Registered office: Suite 1, 3rd floor
11-12 St Jame's Square
London
United Kingdom
SW1Y 4LB

Registered number: 09392688 (England and Wales)

Auditors: PricewaterhouseCoopers
Chartered accountants and statutory auditor
One Spencer Dock
North Wall Quay
Dublin 1
Republic of Ireland

**Strategic Report
for the Year Ended 31 December 2017**

The directors present their strategic report for the year ended 31 December 2017.

Principal activities

The principal activity of Airbnb Payments UK Limited (The Company) for the year under review was payment processing conducted on behalf of Airbnb Ireland UC.

Review of business

The Company has earned revenues amounting to \$280.63 million during the year ended 31st December 2017, this revenue related in its entirety to a recharge of certain costs and an annual fee paid to the Company by Airbnb Ireland UC. The revenue was earned on payment processing activities performed on behalf of Airbnb Ireland UC. Charged against these revenues were costs of \$280.86 million of which the greatest category was Merchant Fees paid to payment processors.

Strategy

The Company follows the group strategy as defined by its ultimate parent entity. All activities are designed to support the activities of Airbnb Ireland UC via cash collection activities.

Principal risks and uncertainties

Management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks are set out below:

Foreign exchange risk: Given the large number of currencies processed by the company on behalf of Airbnb Ireland UC and the differential between collections and remittances, there is a potential for the Company to be exposed to adverse movements in foreign exchange rates. The Company has an existing agreement with Airbnb Ireland UC in which the Company is compensated at cost for gains or losses associated with foreign exchange risk. Foreign exchange movements are monitored internally by management.

Legislative risk: The emergence of Airbnb Ireland UC's online marketplace for people to book accommodations is a relatively new economic sector and currently the status of legislation governing it can be vague at best. This leads to a chance that future legislation may negatively impact Airbnb Ireland UC's ability to operate as it currently does which could adversely impact the Company's operations. This risk is mitigated by a dedicated policy team within Airbnb Ireland UC and affiliated entities who review upcoming legislation and lobby for potential changes to existing legislation to protect Airbnb Ireland UC's host community and allow its business to continue to operate as it is currently.

Regulatory risk: The Company has a licence to operate as an Electronic Money Institution, issued under the auspices of the Financial Conduct Authority in the United Kingdom. This licence carries with it certain prudential requirements, with potential fees and penalties for non-compliance. This risk is mitigated by dedicated compliance resources within the Company who manage the obligations associated with this licence.

Interest rate and credit risk

The Company's cash and cash equivalents consist of highly-liquid instruments with an original maturity of three months or less and are comprised primarily of demand deposits and money market funds held at financial institutions that management believes are credit worthy. Deposits with these institutions may exceed the amount of insurance provided on these deposits. These amounts are subject to nominal fluctuations in interest rates which generally do not affect the results of operations.

Future developments

The directors expect the general level of activity to increase in comparison to 2017 in the forthcoming year. This is a result of continued growth in accommodation and experience bookings through Airbnb Ireland UC and the related increase in cash collection and remittance activities conducted by the Company.

Airbnb Payments UK Limited (Registered number: 09392688)

**Strategic Report
for the Year Ended 31 December 2017**

Results and dividends

The profit for the year was \$1,231,365 (2016: \$980,643).

The directors have not paid an interim dividend during the year (2016: \$nil); they do not recommend the payment of a final dividend (2016: \$nil). The total dividends paid during the year amount to £nil (2016: \$nil).

On behalf of the board:



.....
S Mehta - Director

Date: 19 April 2018

**Report of the Directors
for the Year Ended 31 December 2017**

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2017.

Certain Laws and Regulations require that specific information should be included in the Directors' report, the following is incorporated into this Directors' report by reference:

- o Principal activities (strategic report page 2)
- o Review of the business (strategic report page 2)
- o Principal risks and uncertainties (strategic report page 2)
- o Financial risk management (strategic report page 2)
- o Results and dividends (strategic report page 3)
- o Future developments (strategic report page 2)

Incorporation

The Company was incorporated on 16 January 2015.

Directors

The directors who have held office during the whole year from 1 January 2017 to the date of this report are as follows:

L N Bayer – Resigned 26 July 2017
S Mehta
H Moussa

The directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report and directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**Report of the Directors
for the Year Ended 31 December 2017**

Statement of directors' responsibilities - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Post Balance Sheet Events

There have been no significant events affecting the Company since 31 December 2017.

Statement as to disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board:


.....

S Mehta- Director

Date: 19 April 2018
.....



Independent auditors' report to the members of Airbnb Payments UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Airbnb Payments UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the statement of comprehensive income, the cash flows statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.



With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.


Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.


Damian Byrne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin
19 April 2018

Airbnb Payments UK Limited (Registered number: 09392688)

Statement of Comprehensive Income
for the Year Ended 31 December 2017

	Notes	2017 \$	2016 \$
Turnover	3	280,634,329	194,483,243
Cost of sales		<u>(284,834,942)</u>	<u>(196,323,463)</u>
Gross (loss)		(4,200,613)	(1,840,220)
Administrative expenses		<u>3,976,867</u>	<u>2,077,352</u>
Operating (loss)/profit	5	(223,746)	237,132
Interest receivable and similar income		<u>1,738,010</u>	<u>988,672</u>
Profit before taxation		1,514,264	1,225,804
Tax on profit	6	<u>(282,899)</u>	<u>(245,161)</u>
Profit for the financial year		1,231,365	980,643
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>1,231,365</u></u>	<u><u>980,643</u></u>

All activities relate to continuing operations.

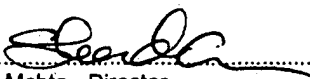
The notes form part of these financial statements

Airbnb Payments UK Limited (Registered number: 09392688)

Balance Sheet
31 December 2017

	Notes	2017 \$	2016 \$
Fixed assets			
Investments	7	3,030	3,030
Current assets			
Debtors: amounts falling due within one year	8	91,199,951	95,801,294
Cash at bank and in hand		<u>1,500,165,891</u>	<u>1,121,382,638</u>
		1,591,365,842	1,217,183,932
Creditors			
Amounts falling due within one year	9	<u>(1,581,098,758)</u>	<u>(1,211,544,880)</u>
Net current assets		<u>10,267,084</u>	<u>5,639,052</u>
Total Assets less current liabilities		10,270,114	5,642,082
Long term liabilities		<u>(396,667)</u>	-
Total assets less total liabilities		9,873,447	5,642,082
Capital and reserves			
Called up share capital	10	100	100
Capital contribution from parent company	10	6,655,250	3,655,250
Retained earnings	11	<u>3,218,097</u>	<u>1,986,732</u>
Total Shareholders' funds		<u>9,873,447</u>	<u>5,642,082</u>

The financial statements were approved by the Board of Directors on 19 April 2018 and were signed on its behalf by:


S Mehta - Director

The notes form part of these financial statements

Airbnb Payments UK Limited (Registered number: 09392688)

Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital \$	Capital contribution \$	Retained earnings \$	Total \$
Balance at 1 January 2016	<u>100</u>	<u>-</u>	<u>1,006,089</u>	<u>1,006,189</u>
Changes in equity				
Capital contribution from parent company		3,655,250	-	3,655,250
Total comprehensive income	-	-	980,643	980,643
Balance at 31 December 2016	<u>100</u>	<u>3,655,250</u>	<u>1,986,732</u>	<u>5,642,082</u>
Changes in equity				
Capital contribution from parent company	-	3,000,000	-	3,000,000
Total comprehensive income	-	-	1,231,365	1,231,365
Balance at 31 December 2017	<u>100</u>	<u>6,655,250</u>	<u>3,218,097</u>	<u>9,873,447</u>

The notes form part of these financial statements

Airbnb Payments UK Limited (Registered number: 09392688)

**Cash Flow Statement
for the Year Ended 31 December 2017**

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Cash generated from operations	12	162,686,877	613,677,047
Tax paid		<u>(241,301)</u>	<u>(255,464)</u>
Net cash from operating activities		<u>162,445,576</u>	<u>613,421,583</u>
Cash flows from investing activities			
Interest received		<u>1,738,010</u>	<u>988,672</u>
Net cash from investing activities		<u>1,738,010</u>	<u>988,672</u>
Cash flows from financing activities			
Capital contribution received		<u>3,000,000</u>	<u>3,655,250</u>
Net cash from financing activities		<u>3,000,000</u>	<u>3,655,250</u>
Increase in cash and cash equivalents		167,183,586	618,065,505
Cash and cash equivalents at beginning of year	12	1,121,382,638	546,655,809
Exchange gains/(losses) on cash & cash equivalents		<u>211,599,667</u>	<u>(43,338,676)</u>
Cash and cash equivalents at end of year	12	<u>1,500,165,891</u>	<u>1,121,382,638</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2017**

1. Statutory Information

Airbnb Payments UK Limited 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 preparing the financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

The functional currency of Airbnb Payments UK Limited is the US dollar.

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 requirement of Section 33 Related Party Disclosures paragraph 33.1A.

Statement of compliance

The financial statements of Airbnb Payments UK Limited have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standards 102, "The Financial Report Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies Act 2006.

Turnover

The Company charges Airbnb Ireland UC for payment processing activities undertaken on behalf of Airbnb Ireland UC. Airbnb Ireland UC also pays the Company an annual fee for cash collection services rendered. Turnover is recognised in the period in which the services are provided.

Taxation

Tax payable is based on taxable profit for the year, calculated using tax rates enacted at the statement of financial position date. Current tax and deferred tax are recognised in the income statement.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Foreign currencies

Transactions denominated in foreign currencies are translated into US Dollars at the rate of exchange prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling on the statement of financial position date. Exchange differences are included in the income statement in the period in which they arise.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

2. Accounting policies - continued

Investments

Investments in subsidiaries and associated undertakings are stated in the statement of financial position of the Company at cost, less amounts written off where there has been impairment in value.

Impairment reviews will be carried out by management on at each reporting date, as required.

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies, 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.

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 classed 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.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

3. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the Company. An analysis of turnover by geographical market is given below:

	2017 \$	2016 \$
Ireland (100%)	<u>280,634,329</u>	<u>194,483,243</u>
	<u>280,634,329</u>	<u>194,483,243</u>

The Company generated its turnover and profit on ordinary activities before taxation from one class of business, which predominantly arises in Ireland, being revenues from Airbnb Ireland UC for payments processing and cash collection activities undertaken on behalf of Airbnb Ireland UC.

4. Employees and directors

The Company had 3 employees during 2017 (2016: 3) and the directors.

	2017 \$	2016 \$
Directors' remuneration	<u>-</u>	<u>-</u>

Directors remuneration and key management compensation has been borne by an associated company, Airbnb UK Ltd. (a subsidiary undertaking within the Airbnb, Inc. group). The directors' services to the Company do not occupy a significant amount of time and as such they do not consider they have received any remuneration for their incidental services to the Company for the year ended 31 December 2017.

5. Operating (loss)/profit

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

	2017 \$	2016 \$
Foreign exchange differences	(8,586,550)	(4,189,956)
Auditors' remuneration for audit of statutory financial statements	87,487	78,000
Auditors' remuneration for non-audit services	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

6. Tax on profit

Analysis of the tax charge

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

	2017 \$	2016 \$
Current tax:		
UK corporation tax	282,899	245,161
	<u> </u>	<u> </u>
Tax on profit	<u>282,899</u>	<u>245,161</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 \$	2016 \$
Profit before tax	<u>1,514,264</u>	<u>1,225,804</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	291,496	245,161
Effects of:		
Permanent timing differences	<u>(8,597)</u>	<u> </u>
Total current year tax charge	<u>282,899</u>	<u>245,161</u>

The tax rate for the current year is lower than the prior year, due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017. Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Airbnb Payments UK Limited (Registered number: 09392688)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

7. Fixed asset investments

	Shares in group undertakings \$
Cost	
Balance at 01 January 2017	3,030
Additions	<u>-</u>
At 31 December 2017	<u>3,030</u>
Net book value	
At 31 December 2017	<u>3,030</u>

The Company's investments at the Balance sheet date in the share capital of companies include the following:

Airbnb Payments Private India Limited
Registered office: India
Nature of business: Payment processing activities

Class of shares:	%
Holding	Equity 0.1

8. Debtors: amounts falling due within one year

	2017 \$	2016 \$
Amounts owed by group undertakings	88,474,858	91,935,582
Other debtors	1,931,051	632,887
Prepayments and accrued income	<u>794,042</u>	<u>3,232,825</u>
	<u>91,199,951</u>	<u>95,801,294</u>

Trade debtors are stated after provisions for impairment of \$nil (2016: \$nil).

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: amounts falling due within one year

	2017 \$	2016 \$
Amounts owed to group undertakings	117,692,359	273,156,181
Corporation tax	155,396	245,161
Accruals and deferred income	<u>1,463,251,003</u>	<u>938,143,538</u>
	<u>1,581,098,758</u>	<u>1,211,544,880</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand

Airbnb Payments UK Limited (Registered number: 09392688)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

10. Called up share capital

Allotted, issued and fully paid:		Nominal value:	2017	2016
Number:	Class:		\$	\$
100 (2016:100)	Ordinary	\$1	100	100

Capital Contribution from Parent Company

The capital contribution arises from capital investment from Airbnb Payments Holdings LLC

11. Reserves

	Retained earnings \$	Totals \$
At 01 January 2017	1,986,732	1,986,732
Profit for the year	1,231,365	1,231,365
	<u>3,218,097</u>	<u>3,218,097</u>
At 31 December 2017		

In respect of the prior year

	Retained earnings \$	Totals \$
At 01 January 2016	1,006,089	1,006,089
Profit for the year	980,643	980,643
	<u>1,986,732</u>	<u>1,986,732</u>
At 31 December 2016		

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

12. Reconciliation of profit before taxation to cash generated from operations

	2017 \$	2016 \$
Profit before taxation	1,514,264	1,225,804
Adjustments for:		
Chargeback provision	(2,133,427)	5,600,000
Finance income	<u>(1,738,010)</u>	<u>(988,672)</u>
	(2,357,173)	5,837,132
Movement in trade and other debtors	4,601,344	200,735,488
Movement in trade and other creditors	372,042,373	363,765,751
Exchange rate movements	<u>(211,599,667)</u>	<u>43,338,676</u>
Cash generated from operations	162,686,877	613,677,047

Cash and cash equivalents

The amounts disclosed on the Cash flow statement in respect of cash and cash equivalents are in respect of these Balance sheet amounts:

Year ended 31 December 2017

	31.12.17 \$	01.01.17 \$
Cash and cash equivalents	<u>1,500,165,891</u>	<u>1,121,382,638</u>

Year ended 31 December 2016

	31.12.16 \$	01.01.16 \$
Cash and cash equivalents	<u>1,121,382,638</u>	<u>546,655,809</u>

The cash and cash equivalent balance at 31 December 2017 includes restricted cash of \$6.7m (2016 \$3.6m). This restricted cash balance is required under the terms of the licence held by the Company to operate as an Electronic Money Institution, under the supervision of the Financial Conduct Authority.

13. Controlling parties

The immediate parent undertaking is Airbnb Payments Holding LLC, a body incorporated in United States of America. Airbnb, Inc., a body incorporated in United States of America is the Company's ultimate parent company and controlling party.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**14. Related party transactions**

The Company is a wholly owned subsidiary of Airbnb, Inc. a company incorporated in the United States. Under FRS 102, 33.1A, the Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Airbnb, Inc. group.

15. Events after balance sheet date

There have been no significant events affecting the Company since 31 December 2017.

16. Financial instruments

	2017	2016
	\$	\$
Financial assets measured at amortised cost		
Amounts owed by group undertakings	88,474,858	91,935,582
Other debtors	1,931,051	632,887
	90,405,909	92,568,469
Financial liabilities measured at amortised cost		
Accruals	1,463,251,003	938,143,538
Amounts owed to group undertakings	117,692,359	273,156,181
	1,580,943,362	1,211,299,719

17. Approval of financial statements

The financial statements were approved and authorized for issue by the board of directors on 19th April 2018 and were signed on its behalf on that date.