
WRITTEN BYTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

WRITTEN BYTE LIMITED

COMPANY INFORMATION

Directors	C Evans M Magdziarz
Company secretary	M Magdziarz
Registered number	05936299
Registered office	6th Floor, 200-202 Aldersgate Street London EC1A 4HD
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

WRITTEN BYTE LIMITED

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Introduction

Written Byte Limited (t/a DeepCrawl) provides the world's leading Technical SEO SaaS platform designed to connect marketing teams with engineers to drive unrivalled search visibility. DeepCrawl does this through a single solution where customers can successfully manage their website architecture.

DeepCrawl's mission is to help customers diagnose and fix their technical and performance issues, increase traffic, drive brand awareness and assist in accelerating the growth and profitability of customers' businesses.

Business review

In the year ended 31 March 21, DeepCrawl was affected by Covid-19, as the pandemic affected businesses in all sectors across the globe; many of which were DeepCrawl customers. Despite the global pandemic, DeepCrawl achieved revenue growth in the year ended 31 March 2021 and grew the number of customers by 16%. This was through customer expansion and new customers added during the financial year.

Written Byte Ltd Technology

The group continued to invest heavily in technology infrastructure and innovation, improving and expanding its product offering and user experience. The Company also repositioned its product offering to provide an end to end solution to customers enabling them to manage all stages of their website architecture. We transitioned Automator and Core into SEO Automation Hub and SEO Analytics Hub, respectively.

i) SEO Analytics Hub

The Company's technical SEO website crawling tool has been offered to customers since the Company's incorporation in 2006. The product is a cloud-based crawler that allows customers to access the tool from anywhere on compatible devices. Development of the tool continued in the year ended 31 March 2021; investment was made into the crawler technology to improve crawl speeds, data processing and to provide customers with a customisable SEO crawler

ii) SEO Automation Hub

Automation Hub is a revolutionary product providing a frictionless solution that automates the SEO quality assurance process, helping avoid traffic and revenue loss by mitigating the risk of pushing harmful code to a live website. The Company continued to expand its Automation Hub offering to customers, helping to bridge the gap between technical SEO and engineering teams to drive website improvements for customers.

Written Byte Ltd People

Written Byte continued to invest significantly in its people, with additions to the management, engineering and commercial teams. To ensure the business has a robust framework for growth, DeepCrawl hires some of the best talent in the industry.

Engineering headcount increased in the year ended 31 March 2021, allowing for the development and improvement of DeepCrawl's product offerings. Performance improvements to Analytics Hub and Automation Hub improved the data processing and crawling capabilities of the tool, providing customers with an enhanced user experience.

Written Byte Ltd Customers

DeepCrawl's services were utilised by a wide range of enterprise clients across the globe in 2021.

In addition to our customer reach, learning from our customers is also key. This allows us to develop our products and ensure positive outcomes for new and existing customers.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Written Byte Ltd Finances

The Company continued to utilise the capital raise from the prior year to support the Company's growth plans through investment in all areas of the business.

Principal risks and uncertainties

Foreign exchange risk

DeepCrawl has some exposure to foreign exchange fluctuations through its business operations with suppliers and customers. The Company manages these risks through maintenance of foreign currency bank accounts.

Financial key performance indicators

DeepCrawl's Key Performance Indicator is revenue growth. DeepCrawl's customer base grew by 16% from 2020 to 2021 demonstrating the Company's ability to grow throughout the economic crisis caused by the pandemic. Growth is supported by additional business specific performance indicators that are regularly reviewed by management to enable them to monitor performance effectively.

This report was approved by the board and signed on its behalf.

.....
M Magdziarz
Director

Date: 3 November 2021

WRITTEN BYTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the company is that of providing high powered SEO crawling tools.

Results and dividends

The loss for the year, after taxation, amounted to £4,748,680 (2020 - loss £3,665,958).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who served during the year were:

C Evans
M Magdziarz

WRITTEN BYTE LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Future developments

The Group will continue to grow and expand.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

Subsequent to year end, on May 6, 2021, the groups US Subsidiary Deepcrawl Inc was named as the defendant in a wrongful employee termination lawsuit. As of the report date, the Company and the plaintiff have reached an agreement in principle to settle this matter for a total amount of \$165,000. Other than the item noted above, there have been no subsequent events during this period that would require disclosure in the financial statements.

Auditors

Under section 487(2) of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

.....
M Magdziarz
Director

Date: 3 November 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITTEN BYTE LIMITED

Opinion

We have audited the financial statements of Written Byte Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITTEN BYTE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITTEN BYTE LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 Group's and the parent 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 Group or the parent 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 Group financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiring of management around actual and potential litigation and claims, including a review of board minutes;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risks of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRITTEN BYTE LIMITED (CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Wedge FCA (Senior Statutory Auditor)

for and on behalf of

Berg Kaprow Lewis LLP

Chartered Accountants

Statutory Auditor

London

4 November 2021

WRITTEN BYTE LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	4	6,626,462	6,137,245
Cost of sales		(1,596,610)	(1,509,948)
Gross profit		5,029,852	4,627,297
Administrative expenses		(10,528,724)	(8,757,105)
Operating loss	5	(5,498,872)	(4,129,808)
Interest payable and similar expenses	9	(34,354)	(100,781)
Loss before taxation		(5,533,226)	(4,230,589)
Tax on loss	10	784,546	564,631
Loss for the financial year		(4,748,680)	(3,665,958)
Currency translation movement		8,816	29,262
Other comprehensive income for the year		8,816	29,262
Total comprehensive income for the year		(4,739,864)	(3,636,696)
(Loss) for the year attributable to:			
Owners of the parent Company		(4,748,680)	(3,665,958)
		(4,748,680)	(3,665,958)
Total comprehensive income for the year attributable to:			
Owners of the parent Company		(4,739,864)	(3,636,696)
		(4,739,864)	(3,636,696)

The notes on pages 18 to 39 form part of these financial statements.

WRITTEN BYTE LIMITED
REGISTERED NUMBER: 05936299

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	201,611	180,523
Investments	12	9,383	9,383
		<u>210,994</u>	<u>189,906</u>
Current assets			
Debtors: amounts falling due after more than one year	13	412,243	412,243
Debtors: amounts falling due within one year	13	2,820,417	2,745,789
Cash at bank and in hand	14	3,801,766	6,640,997
		<u>7,034,426</u>	<u>9,799,029</u>
Creditors: amounts falling due within one year	15	(15,351,781)	(13,633,311)
Net current liabilities		<u>(8,317,355)</u>	<u>(3,834,282)</u>
Total assets less current liabilities		<u>(8,106,361)</u>	<u>(3,644,376)</u>
Creditors: amounts falling due after more than one year	16	(82,920)	(86,370)
Net liabilities		<u><u>(8,189,281)</u></u>	<u><u>(3,730,746)</u></u>

WRITTEN BYTE LIMITED
REGISTERED NUMBER: 05936299

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Capital and reserves			
Called up share capital	19	469	469
Share premium account	20	5,209,942	5,209,942
Profit and loss account	20	(13,399,692)	(8,941,157)
Equity attributable to owners of the parent Company		<u>(8,189,281)</u>	<u>(3,730,746)</u>
		<u>(8,189,281)</u>	<u>(3,730,746)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
M Magdziarz
Director

Date: 3 November 2021

The notes on pages 18 to 39 form part of these financial statements.

WRITTEN BYTE LIMITED
REGISTERED NUMBER: 05936299

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	184,610	157,450
Investments	12	10,547	10,547
		<u>195,157</u>	<u>167,997</u>
Current assets			
Debtors: amounts falling due after more than one year	13	412,243	412,243
Debtors: amounts falling due within one year	13	1,447,758	1,429,165
Cash at bank and in hand	14	3,061,413	6,053,744
		<u>4,921,414</u>	<u>7,895,152</u>
Creditors: amounts falling due within one year	15	(13,331,388)	(11,750,673)
Net current liabilities		<u>(8,409,974)</u>	<u>(3,855,521)</u>
Total assets less current liabilities		<u>(8,214,817)</u>	<u>(3,687,524)</u>
Creditors: amounts falling due after more than one year	16	(49,164)	(86,370)
Net liabilities		<u><u>(8,263,981)</u></u>	<u><u>(3,773,894)</u></u>

WRITTEN BYTE LIMITED
REGISTERED NUMBER: 05936299

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

	Note	31 March 2021 £	31 March 2020 £
Capital and reserves			
Called up share capital	19	469	469
Share premium account	20	5,209,942	5,209,942
Profit and loss account brought forward		(8,984,305)	(5,377,020)
Loss for the year		(4,671,439)	(3,617,668)
Transfer of share options to parent		181,352	10,383
		<u>(13,474,392)</u>	<u>(8,984,305)</u>
Profit and loss account carried forward		<u>(8,263,981)</u>	<u>(3,773,894)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
M Magdziarz

Director

Date: 3 November 2021

The notes on pages 18 to 39 form part of these financial statements.

WRITTEN BYTE LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Share premium account £	Share option reserve £	Profit and loss account £	Total equity £
At 1 April 2019	469	5,208,137	201,504	(5,315,243)	94,867
Comprehensive income for the year					
Loss for the year	-	-	-	(3,665,958)	(3,665,958)
Reserve transfer	-	-	-	10,783	10,783
Currency translation movement	-	-	-	29,261	29,261
Shares issued during the year	-	1,805	-	-	1,805
Transfer of share options to parent	-	-	(201,504)	-	(201,504)
At 1 April 2020	469	5,209,942	-	(8,941,157)	(3,730,746)
Comprehensive income for the year					
Loss for the year	-	-	-	(4,748,680)	(4,748,680)
Currency translation differences	-	-	-	8,816	8,816
Equity settled share based payments	-	-	-	281,329	281,329
At 31 March 2021	469	5,209,942	-	(13,399,692)	(8,189,281)

The notes on pages 18 to 39 form part of these financial statements.

WRITTEN BYTE LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Share premium account £	Share options reserves £	Profit and loss account £	Total equity £
At 1 April 2019	469	5,208,137	201,504	(5,377,020)	33,090
Comprehensive income for the year					
Loss for the year	-	-	-	(3,617,668)	(3,617,668)
Reserve transfer	-	-	-	10,383	10,383
Shares issued during the year	-	1,805	-	-	1,805
Transfer of share options to parent	-	-	(201,504)	-	(201,504)
At 1 April 2020	469	5,209,942	-	(8,984,305)	(3,773,894)
Comprehensive income for the year					
Loss for the year	-	-	-	(4,671,439)	(4,671,439)
Equity settled share based payments	-	-	-	181,352	181,352
At 31 March 2021	469	5,209,942	-	(13,474,392)	(8,263,981)

The notes on pages 18 to 39 form part of these financial statements.

WRITTEN BYTE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss for the financial year	(4,748,680)	(3,665,958)
Adjustments for:		
Depreciation of tangible assets	89,709	47,125
Loss on disposal of tangible assets	-	504
Interest paid	34,354	100,781
Taxation charge	(784,546)	(564,631)
Decrease/(increase) in debtors	158,082	(1,744,483)
Increase in creditors	1,164,361	1,643,089
Increase in amounts owed to groups	915,603	9,261,908
Corporation tax received	524,045	377,465
Currency movement on retranslation of foreign subsidiaries	8,816	28,357
Net cash generated from operating activities	(2,638,256)	5,484,157
Cash flows from investing activities		
Purchase of tangible fixed assets	(110,797)	(163,147)
Net cash from investing activities	(110,797)	(163,147)
Cash flows from financing activities		
Issue of ordinary shares	-	1,805
Other new loans	-	400,000
Repayment of other loans	(337,153)	(884,908)
Interest paid	(34,354)	(100,781)
Options	281,329	(189,817)
Net cash used in financing activities	(90,178)	(773,701)

WRITTEN BYTE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Net (decrease)/increase in cash and cash equivalents	<u>(2,839,231)</u>	<u>4,547,309</u>
Cash and cash equivalents at beginning of year	<u>6,640,997</u>	<u>2,093,688</u>
Cash and cash equivalents at the end of year	<u><u>3,801,766</u></u>	<u><u>6,640,997</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>3,801,766</u>	<u>6,640,997</u>
	<u><u>3,801,766</u></u>	<u><u>6,640,997</u></u>

The notes on pages 18 to 39 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The principal activity of the company is that of providing high powered SEO crawling tools.

Written Byte Ltd is a private company limited by shares, incorporated in England and Wales, registration number 05936299.

The address of its principal place of business is 6th Floor, 200-202 Aldersgate Street, London EC1A 4HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Group will continue to trade for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements, and will be able to meet its debts as they fall due

During the year, the Group expanded their sales team and continued to invest heavily in new products increasing their cost base for the year. Due to the impact of the global Coronavirus and the uncertainty in the global economy, the sales growth while impressive, was not as high as hoped and as a result the Group reported a loss after tax for the year of £ 4,748,680 (2020: Loss of £3,636,696) and had net liabilities of £8,189,281. Included within current liabilities is an amount £10,177,511 owed to the parent company and the Group is dependent on the continued support of the parent company to allow it to meet its financial obligations as they fall due and also not seeking repayment of existing loans made to the Group.

The directors have prepared forecasts to March 2024 and are confident that the company will have the resources to meet its day to day liabilities. The Group managed to arrange a new lending facility of £3m, none of which had been drawn down at the year-end and this coupled with the continued support from the parent company, for at least the next 12 months from the date of signature of these accounts will be sufficient to cover all ongoing cash requirements. Should there be any shortfalls over the next twelve months, then the investors in the parent company have confirmed that they will provide that company with the necessary funds to then lend on to the Group.

In light of the global Coronavirus pandemic, the Company has moved its staff to working remotely, has significantly reduced non-essential operational expenditure. The Company also benefits from being an online marketplace and using cloud-based information technology systems for most aspects of managing and operating its business..

Based on all of the above, the directors believe that the Group has access to adequate resources to continue being in operational existence for the foreseeable future and that it is appropriate to continue to adopt the going concern basis for the preparation of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.10 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Provision for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 3 years straight line
Fixtures and fittings	- 4 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.19 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, 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 the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, 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 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and 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.

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Judgments in applying accounting policies 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 for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Turnover

The whole of the turnover is attributable to the principal business activity of providing high powered SEO crawling tools.

Analysis of turnover by country of destination:

	2021	2020
	£	£
United Kingdom	2,374,848	2,338,932
Rest of Europe	6,719	9,768
Rest of the world	4,244,895	3,788,545
	<u>6,626,462</u>	<u>6,137,245</u>

5. Operating loss

The operating loss is stated after charging:

	2021	2020
	£	£
Research & development charged as an expense	2,471,237	1,819,743
Exchange differences	(909,978)	188,428
Other operating lease rentals	817,330	609,163
Share based payment	249,828	(49,998)
Depreciation	89,709	46,838
Loss on disposal	-	504
	<u>-</u>	<u>504</u>

WRITTEN BYTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Auditors' remuneration

	2021	2020
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	43,021	31,000

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>2020</i>	2021	<i>2020</i>
	£	<i>£</i>	£	<i>£</i>
Wages and salaries	6,993,226	<i>5,352,391</i>	4,616,566	<i>3,683,573</i>
Social security costs	737,665	<i>415,627</i>	554,452	<i>415,627</i>
Cost of defined contribution scheme	101,810	<i>56,879</i>	69,433	<i>56,879</i>
	<u>7,832,701</u>	<i><u>5,824,897</u></i>	<u>5,240,451</u>	<i><u>4,156,079</u></i>

The average monthly number of employees, including the directors, during the year was as follows:

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>2020</i>	2021	<i>2020</i>
	No.	<i>No.</i>	No.	<i>No.</i>
	<u>97</u>	<i><u>77</u></i>	<u>65</u>	<i><u>52</u></i>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Directors' remuneration

	2021	2020
	£	£
Directors' emoluments	213,231	307,152
Company contributions to defined contribution pension schemes	2,553	3,802
	<u>215,784</u>	<u>310,954</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £150,000 (2020 - £166,267).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,313 (2020 - £1,315).

9. Interest payable and similar expenses

	2021	2020
	£	£
Other loan interest payable	34,354	100,781
	<u>34,354</u>	<u>100,781</u>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	(771,591)	(547,108)
	<u>(771,591)</u>	<u>(547,108)</u>
Total current tax	<u>(771,591)</u>	<u>(547,108)</u>
Deferred tax		
Origination and reversal of timing differences	(12,955)	(17,523)
	<u>(12,955)</u>	<u>(17,523)</u>
Total deferred tax	<u>(12,955)</u>	<u>(17,523)</u>
Taxation on loss on ordinary activities	<u>(784,546)</u>	<u>(564,631)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	<u>(5,533,226)</u>	<u>(4,230,589)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,051,313)	(803,812)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	31,189	93,667
Higher rate taxes on overseas earnings	-	44,659
Short term timing difference leading to an increase in taxation	46,314	361,988
Adjustment in research and development tax credit leading to decrease in the tax charge	(355,691)	(261,133)
Unrelieved tax losses carried forward	532,000	-
Deferred tax movement	12,955	-
	<u>(784,546)</u>	<u>(564,631)</u>
Total tax charge for the year	<u>(784,546)</u>	<u>(564,631)</u>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Taxation (continued)

Factors that may affect future tax charges

The company has losses of approximately £7,400,000 (2020: £4,600,000) to carry forward and use against future profits. No deferred tax asset has been recognised on these losses due to the uncertain nature of when the company will be profitable and begin to utilise them.

11. Tangible fixed assets

Group

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	25,701	55,651	213,634	294,986
Additions	13,069	64,091	33,637	110,797
At 31 March 2021	38,770	119,742	247,271	405,783
Depreciation				
At 1 April 2020	-	14,387	100,076	114,463
Charge for the year on owned assets	10,977	25,632	53,100	89,709
At 31 March 2021	10,977	40,019	153,176	204,172
Net book value				
At 31 March 2021	27,793	79,723	94,095	201,611
At 31 March 2020	25,701	41,264	113,558	180,523

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	25,701	55,651	168,358	249,710
Additions	13,069	64,091	33,134	110,294
At 31 March 2021	<u>38,770</u>	<u>119,742</u>	<u>201,492</u>	<u>360,004</u>
Depreciation				
At 1 April 2020	-	14,387	77,873	92,260
Charge for the year on owned assets	10,977	25,632	46,525	83,134
At 31 March 2021	<u>10,977</u>	<u>40,019</u>	<u>124,398</u>	<u>175,394</u>
Net book value				
At 31 March 2021	<u>27,793</u>	<u>79,723</u>	<u>77,094</u>	<u>184,610</u>
At 31 March 2020	<u>25,701</u>	<u>41,264</u>	<u>90,485</u>	<u>157,450</u>

12. Fixed asset investments

Group

	Investments in associates £
Cost or valuation	
At 1 April 2020	9,383
At 31 March 2021	<u>9,383</u>

WRITTEN BYTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Company

	Investments in subsidiary companies £	Investments in associates £	Total £
Cost or valuation			
At 1 April 2020	1,164	9,383	10,547
At 31 March 2021	<u>1,164</u>	<u>9,383</u>	<u>10,547</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
DeepCrawl sp. z .o.o.	Poland	Providing development services to Written Byte Ltd.	Ordinary	100 %
DeepCrawl Inc	USA	Providing sales services to the North America market on behalf of WB Ltd.	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 March 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
DeepCrawl sp. z .o.o.	3,891	61,721
DeepCrawl Inc	144,729	40,417

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Other debtors	412,243	412,243	412,243	412,243
	<u>412,243</u>	<u>412,243</u>	<u>412,243</u>	<u>412,243</u>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	1,500,292	1,644,040	224,402	548,640
Amounts owed by group undertakings	-	-	53,579	43,074
Other debtors	908,126	843,588	880,972	740,694
Prepayments and accrued income	381,521	240,638	288,805	96,757
Deferred taxation	30,478	17,523	-	-
	<u>2,820,417</u>	<u>2,745,789</u>	<u>1,447,758</u>	<u>1,429,165</u>

14. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	3,801,766	6,640,997	3,061,413	6,053,744
	<u>3,801,766</u>	<u>6,640,997</u>	<u>3,061,413</u>	<u>6,053,744</u>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Other loans	86,370	337,153	86,370	337,153
Trade creditors	503,755	379,426	469,917	310,860
Amounts owed to group undertakings	10,177,511	9,261,908	10,973,519	9,535,111
Corporation tax	18,306	46,095	-	-
Other taxation and social security	236,718	164,434	177,808	144,004
Other creditors	18,843	89,878	18,843	89,878
Accruals and deferred income	4,310,278	3,354,417	1,604,931	1,333,667
	<u>15,351,781</u>	<u>13,633,311</u>	<u>13,331,388</u>	<u>11,750,673</u>

16. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Other loans	-	86,370	-	86,370
Other creditors	33,756	-	-	-
Accruals and deferred income	49,164	-	49,164	-
	<u>82,920</u>	<u>86,370</u>	<u>49,164</u>	<u>86,370</u>

The loans are secured against the fixed and floating assets of the company.

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Loans

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Amounts falling due within one year				
Other loans	86,370	<i>337,153</i>	86,370	<i>337,153</i>
	<hr/> 86,370 <hr/>	<hr/> <i>337,153</i> <hr/>	<hr/> 86,370 <hr/>	<hr/> <i>337,153</i> <hr/>
Amounts falling due 1-2 years				
Other loans	-	<i>86,370</i>	-	<i>86,370</i>
	<hr/> - <hr/>	<hr/> <i>86,370</i> <hr/>	<hr/> - <hr/>	<hr/> <i>86,370</i> <hr/>
Amounts falling due 2-5 years				
	<hr/> 86,370 <hr/>	<hr/> <i>423,523</i> <hr/>	<hr/> 86,370 <hr/>	<hr/> <i>423,523</i> <hr/>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. Deferred taxation

Group

	2021 £
At beginning of year	17,523
Charged to profit or loss	12,955
At end of year	<u>30,478</u>

The deferred tax asset is made up as follows:

	Group 2021 £	Group 2020 £
Holiday accrual in USA not paid within 75 days	16,985	11,725
Deferred rent payable in USA	7,844	6,977
Other temporary timing differences in USA	5,649	(1,179)
	<u>30,478</u>	<u>17,523</u>

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
348,082 (2020 - 348,082) Ordinary shares of £0.001 each	348	348
62,445 (2020 - 62,445) Series A shares of £0.001 each	62	62
58,887 (2020 - 58,887) Series A1 shares of £0.001 each	59	59
	<u>469</u>	<u>469</u>

20. Reserves

Share premium account

The share premium reserve includes all amounts paid over and above par value for shares issued in the Company.

Profit and loss account

Includes all current period retained profits and losses.

WRITTEN BYTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Share based payments

During the year ended 31 March 2021 the Group granted options over 47,463 Ordinary shares of £0.001 each to 5 employees. The options have an exercise price of either £14, £15, £26, £36 or £41 and vest over three years.

The shares have been valued at the grant date by applying Black Scholes

The Group recognised total charge of £249,828 (2020: £27,905) relating to equity-settled share based payment transactions during the year.

	Weighted average exercise price (pence) 2021	Number 2021	<i>Weighted average exercise price (pence) 2020</i>	<i>Number 2020</i>
Outstanding at the beginning of the year	26.72	34,101	24.58	31,552
Granted during the year	38.73	47,463	40.45	5,037
Exercised during the year	25.68	(1,279)	13.89	(58)
Expired during the year	33.65	(4,522)	27.69	(2,430)
Outstanding at the end of the year	33.85	75,763	26.72	34,101

	2021	2020
Option pricing model used	Black Scholes	<i>Black Scholes</i>
Share based payment charge	249,828	27,905
Weighted average contractual life (days)	4 years	<i>4 years</i>
Expected volatility	55%	55%
Risk-free interest rate	1.43%	1.43%

22. Pension commitments

The Group operates on a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group and in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £69,433 (2020: £56,879). At the year end Contributions totalling £2,726 were receivable (2020: £12,561 payable) to the fund at the Statement of Financial Position date.

WRITTEN BYTE LIMITED

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23. Commitments under operating leases

At 31 March 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	<i>Group</i> <i>2020</i> £	Company 2021 £	<i>Company</i> <i>2020</i> £
Not later than 1 year	1,093,485	<i>1,099,990</i>	826,526	<i>811,351</i>
Later than 1 year and not later than 5 years	1,254,422	<i>2,455,338</i>	534,722	<i>1,361,248</i>
	<u>2,347,907</u>	<i><u>3,555,328</u></i>	<u>1,361,248</u>	<i><u>2,172,599</u></i>

24. Related party transactions

Where possible the Group has taken advantage of the exemption conferred by section 33.1A of FRS 102 from the requirement to disclose transactions with other wholly owned group undertakings

Included within other creditors is a balance of £10,177,511 (2020: £9,261,908) owed to DeepCrawl Holdings, the parent company of Written Byte Ltd. This balance is unsecured and interest free, with no fixed repayment terms.

Within the year the Group paid £18,000 (2020: £72,080) in respect of consulting and non-executive director services to a Company with a common director. No balance was held at the year end.

The Group paid £Nil (2020: £19,189) in respect of director services to a Company with a common director. No balance was held at year end.

The Group received £Nil (2020: £5,625) in respect of consulting services from a Company with a common director.

25. Controlling party

The parent undertaking is DeepCrawl Holdings Company, a company incorporated in Delaware, U.S.A.

There is no ultimate controlling party.

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