

CROWD TECHNOLOGIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2022

CROWD TECHNOLOGIES LIMITED
REGISTERED NUMBER: 07055592

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	1,016,990	793,866
Tangible fixed assets	5	1,944	6,565
		<hr/> 1,018,934	<hr/> 800,431
Current assets			
Debtors: amounts falling due within one year	6	341,625	331,156
Cash at bank and in hand	7	247,107	114,411
		<hr/> 588,732	<hr/> 445,567
Creditors: amounts falling due within one year	8	(1,169,525)	(631,827)
		<hr/> (580,793)	<hr/> (186,260)
Net current liabilities			
		<hr/> 438,141	<hr/> 614,171
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	9	(416,197)	(264,446)
		<hr/> 21,944	<hr/> 349,725
Net assets			
Capital and reserves			
Called up share capital	11	1,793	1,793
Share premium account		1,348,398	1,348,398
Other reserves		4,174	4,174
Profit and loss account		(1,332,421)	(1,004,640)
		<hr/> 21,944	<hr/> 349,725

CROWD TECHNOLOGIES LIMITED
REGISTERED NUMBER: 07055592

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

C Daruvalla
Director

Date: 15 December 2022

The notes on pages 3 to 12 form part of these financial statements.

CROWD TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Crowd Technologies Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8-10 Mansion House Place, London, England, EC4N 8BJ.

The principal activity of the Company is the provision of an online platform to enable visibility and monitoring of social media accounts.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pound Sterling, the functional currency of the Company, and rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

2.3 Operating leases: the Company as lessee

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

2.4 Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives of 5 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 other creditors as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 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 balance sheet 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 Company 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.

2.8 Taxation

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 balance sheet date in the countries where the Company operates and generates income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 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.

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:

Plant and machinery	-	25-33%
---------------------	---	--------

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.

2.10 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.

2.11 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.

2.12 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.

2.13 Financial instruments

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

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Basic financial assets

Basic financial assets, which include trade debtors, corporation tax recoverable, other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including bank loans, trade creditors, taxation and social security, and other creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3. Employees

The average monthly number of employees, including Directors, during the year was 18 (2021 - 18).

CROWD TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Intangible assets

	Development expenditure £	Trademarks £	Total £
Cost			
At 1 April 2021	1,145,863	-	1,145,863
Additions	448,532	3,766	452,298
At 31 March 2022	1,594,395	3,766	1,598,161
Amortisation			
At 1 April 2021	351,998	-	351,998
Charge for the year on owned assets	229,173	-	229,173
At 31 March 2022	581,171	-	581,171
Net book value			
At 31 March 2022	1,013,224	3,766	1,016,990
At 31 March 2021	793,866	-	793,866

CROWD TECHNOLOGIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 April 2021	19,615
	<hr/>
At 31 March 2022	19,615
	<hr/>
Depreciation	
At 1 April 2021	13,050
Charge for the year on owned assets	4,621
	<hr/>
At 31 March 2022	17,671
	<hr/>
Net book value	
At 31 March 2022	1,944
	<hr/>
At 31 March 2021	6,565
	<hr/>

6. Debtors

	2022 £	2021 £
Trade debtors	227,418	182,725
Amounts owed by group undertakings	82,886	-
Other debtors	8,100	4,698
Prepayments and accrued income	5,359	16,712
Tax recoverable	17,862	127,021
	<hr/>	<hr/>
	341,625	331,156
	<hr/>	<hr/>

Amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	247,107	114,411
	<hr/>	<hr/>

CROWD TECHNOLOGIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans	10,104	7,308
Trade creditors	27,755	22,475
Amounts owed to group undertakings	471,830	58,316
Other taxation and social security	253,690	233,502
Sale and leaseback liability	77,322	-
Other creditors	6,442	10,287
Accruals and deferred income	322,382	299,939
	<u>1,169,525</u>	<u>631,827</u>

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

	2022	2021
	£	£
Bank loans	29,892	39,355
Sale and leaseback liability	254,619	-
Amounts owed to group undertakings	<u>131,686</u>	<u>225,091</u>

Included in amounts owed to group undertakings are loans payable of £500,000, discounted to present value. Of these loans, £250,000 is unsecured, interest bearing at a rate of 5% per annum and repayable from June 2022 to September 2024. The remaining loan of £250,000 is unsecured, non-interest bearing and repayable on demand and classified as a current liability.

During the year ended 31 March 2022, the Company received £350,000 in respect of a sale and leaseback arrangement. The Directors consider the arrangement of this sale and leaseback to result in a finance lease. The sale and leaseback arrangement is unsecured, interest bearing at an annualised rate of 8.8% and repayable by January 2026.

CROWD TECHNOLOGIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Loans

Analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year		
Bank loans	10,104	7,308
Amounts falling due 1-2 years		
Bank loans	9,231	9,464
Amounts falling due 2-5 years		
Bank loans	20,661	27,013
Amounts falling due after more than 5 years		
Bank loans	-	2,878
	39,996	46,663

Bank loans represent a Bounce Back Loan. This loan is secured over the assets of the Company, interest bearing at a rate of 2.5% and repayable by October 2026. The bank loan is interest free and subject to a repayment holiday, both for a period of 12 months from the date upon which the loan was drawn down.

11. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
1,034,575 (2021 - 1,034,575) Ordinary Shares shares of £0.001 each	1,035	1,035
757,680 (2021 - 757,680) A Ordinary Shares shares of £0.001 each	758	758
	1,793	1,793

Ordinary shares and A Ordinary shares rank pari passu and each share carries one vote in company general meetings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Share based payments

The Company has taken advantage of transitional exemptions not to apply FRS102 Section 1A to any share-based payment transactions entered into before the transition date of 1 November 2015.

The following information therefore only discloses information about share-based payment transactions granted on or after 1 November 2015:

	Weighted average exercise price (pence) 2022	31 March Number 2022	Weighted average exercise price (pence) 2021	31 October Number 2021
Outstanding at the beginning of the year	0	-	0.62	11,284
Expired during the year		-	0.62	(11,284)
	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>
Outstanding at the end of the year				

	2021
Option pricing model used	Black-Scholes
Weighted average share price (pence)	0.62
Exercise price (pence)	0.62
Weighted average contractual life (days)	3,650
Expected volatility	50%
Risk-free interest rate	1.22%

No charge has been recognised in the period in relation to equity settled share-based payment transactions (2021: nil).

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £11,554 (2021: £4,944). Contributions totalling £6,442 (2021: £6,682) were payable to the fund at the balance sheet date and are included in creditors.

14. Related party transactions

During the period ended 31 March 2022, the Company incurred recharged expenses of £90,000 (2021: £58,316) from its ultimate parent company. This balance is included in amounts owed to group undertakings at 31 March 2022.

During the year ended 31 March 2022, the Company received a loan of £250,000 (2021: loan received of £250,000) from its ultimate parent company. This balance is included in amounts owed to group undertakings at 31 March 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Post balance sheet events

Subsequent to the acquisition of Built Environment Communications Group Limited (see note 17), on 17 October 2022 the Company repaid its sale and leaseback liability in full.

16. Controlling party

Up to 14 October 2022, Built Environment Communications Group Limited was considered to be the ultimate controlling party by virtue of its controlling shareholding in the Company. Built Environment Communications Group Limited was the parent of both the smallest and largest group for which group accounts including the Company are prepared. Copies of these accounts can be obtained from 8-10 Mansion House Place, London, EC4N 8BJ.

On 14 October 2022, Built Environment Communications Group Limited ceased to be the ultimate controlling party following the acquisition of the entire issued share capital of Built Environment Communications Group Limited by BECG Limited, company number 04883755 in England. With effect from this date, BECG Limited is considered to be the ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.