

FLYT LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

Berringers LLP
Chartered Accountants
and Statutory Auditors
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

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for the year ended 31 December 2020

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FLYT LIMITED
COMPANY INFORMATION
for the year ended 31 December 2020

DIRECTORS:

L C Benn
R W P Hathaway
T A Percira
A J Kenny

REGISTERED OFFICE:

Fleet Place House
2 Fleet Place
London
England
EC4M 7RF

REGISTERED NUMBER:

08419148 (England and Wales)

AUDITORS:

Berringers LLP
Chartered Accountants
and Statutory Auditors
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

**REPORT OF THE DIRECTORS
for the year ended 31 December 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

L C Benn
R W P Hathaway

Other changes in directors holding office are as follows:

G J Corfield - resigned 18 September 2020
P S Harrison - resigned 30 June 2020
T A Pereira - appointed 23 October 2020

A J Kenny was appointed as a director after 31 December 2020 but prior to the date of this report.

J A Sporle ceased to be a director after 31 December 2020 but prior to the date of this report.

REVIEW OF BUSINESS

The directors report a profit after taxation of £341,989 (2019: £724,607). Operating profit before interest was £341,971 (2019: £578,919). Turnover decreased slightly from £6,799,662 to £6,705,541.

The directors have also reviewed the post year end financial information available at the time of approving these financial statements, giving consideration to the worldwide coronavirus pandemic (COVID-19), and have concluded that the financial statements should be prepared on a going concern basis.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the directors 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Berringers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

FLYT LIMITED (REGISTERED NUMBER: 08419148)

**REPORT OF THE DIRECTORS
for the year ended 31 December 2020**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

L C Benn - Director

24 September 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FLYT LIMITED

Opinion

We have audited the financial statements of Flyt Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of comprehensive income, Balance sheet, Statement of changes in equity and Notes to the financial statements, 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 company's affairs as at 31 December 2020 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the directors, but does not include the financial statements and our Report of the auditors thereon.

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.

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 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.

Opinions 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 Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FLYT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Report of the directors.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page two, 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 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 a Report of the auditors 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.

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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and error, we considered the following:

- the nature of the industry, control environment and business performance;
- results of our enquiries to management about their own assessment of the risks of fraud and error;
- the matters discussed among the audit engagement team regarding how and where fraud may occur in the financial statements and any potential indicators of fraud.

Our procedures to respond to risk include the following:

- reviewing the financial statement disclosures and testing to supporting documentation;
- performing analytical procedures to identify any unusual or unexpected areas that may indicate risks of material misstatement due to fraud or error;
- addressing the risk of fraud and error through management override of controls, testing the appropriateness of journals, assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FLYT LIMITED**

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 a Report of the auditors 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.

Paul Allan BSocSc FCA (Senior Statutory Auditor)
for and on behalf of Berringers LLP
Chartered Accountants
and Statutory Auditors
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

24 September 2021

FLYT LIMITED (REGISTERED NUMBER: 08419148)

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2020

	Notes	2020 £	2019 £
TURNOVER	3	6,705,541	6,799,662
Cost of sales		<u>489,810</u>	<u>285,474</u>
GROSS PROFIT		6,215,731	6,514,188
Administrative expenses		<u>5,873,760</u>	<u>5,662,553</u>
OPERATING PROFIT	5	341,971	851,635
Exceptional items	6	<u>-</u>	<u>272,716</u>
		341,971	578,919
Interest receivable and similar income		<u>18</u>	<u>1,411</u>
PROFIT BEFORE TAXATION		341,989	580,330
Tax on profit	7	<u>-</u>	<u>(144,277)</u>
PROFIT FOR THE FINANCIAL YEAR		341,989	724,607
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>341,989</u>	<u>724,607</u>

The notes form part of these financial statements

FLYT LIMITED (REGISTERED NUMBER: 08419148)

BALANCE SHEET
31 December 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	8		2,229,881		1,375,276
Tangible assets	9		102,316		92,773
Investments	10		8		8
			2,332,205		1,468,057
CURRENT ASSETS					
Debtors	11	9,418,708		5,950,089	
Cash at bank		507,649		826,287	
		9,926,357		6,776,376	
CREDITORS					
Amounts falling due within one year	12	1,227,916		1,240,776	
NET CURRENT ASSETS			8,698,441		5,535,600
TOTAL ASSETS LESS CURRENT LIABILITIES			11,030,646		7,003,657
CAPITAL AND RESERVES					
Called up share capital	14		17,587		17,587
Share premium	15		11,780,918		11,780,918
Capital contribution reserve	15		9,541,000		5,856,000
Retained earnings	15		(10,308,859)		(10,650,848)
SHAREHOLDERS' FUNDS			11,030,646		7,003,657

The financial statements were approved by the Board of Directors and authorised for issue on 24 September 2021 and were signed on its behalf by:

L C Benn - Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2020

	Called up share capital £	Retained earnings £	Share premium £	Capital contribution reserve £	Total equity £
Balance at 1 January 2019	17,587	(11,375,455)	11,780,918	-	423,050
Changes in equity					
Total comprehensive income	-	724,607	-	5,856,000	6,580,607
Balance at 31 December 2019	<u>17,587</u>	<u>(10,650,848)</u>	<u>11,780,918</u>	<u>5,856,000</u>	<u>7,003,657</u>
Changes in equity					
Total comprehensive income	-	341,989	-	3,685,000	4,026,989
Balance at 31 December 2020	<u>17,587</u>	<u>(10,308,859)</u>	<u>11,780,918</u>	<u>9,541,000</u>	<u>11,030,646</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

1. STATUTORY INFORMATION

Flyt 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 have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

Flyt Limited is a subsidiary of Just Eat Holding Limited and is provided with guaranteed funding. This is guaranteed in the sale and purchase agreement at £5.0m per annum for the first 3 years after acquisition. On this basis, the directors consider the going concern basis to be appropriate for the preparation of these financial statements.

The directors have also reviewed the post year end financial information available at the time of approving these financial statements, giving consideration to the worldwide coronavirus pandemic (COVID-19), and have concluded that the financial statements should be prepared on a going concern basis.

Financial Reporting Standard 102 - reduced disclosure exemptions

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 requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d).

Preparation of consolidated financial statements

The financial statements contain information about Flyt Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Just Eat Takeaway.com N.V., which are publicly available via the Just Eat Takeaway.com corporate website <https://www.justeattakeaway.com/investors/annual-reports/>.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In preparing these financial statements, the directors have made the following judgements:

Determine whether leases entered into by the group either as a lessor or as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

Tangible fixed assets (see note 9)

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technical innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment considers issues such as future market conditions, the remaining life of the asset and projected disposal values.

Intangible fixed assets (see note 8)

Intangible fixed assets are depreciated over their useful lives of three years taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technical innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment considers issues such as future market conditions, the remaining life of the asset and projected disposal values.

Turnover

Turnover is measured at 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 turnover is recognised:

Rendering of services

Turnover 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 the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company 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.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of three years.

Development costs

Development costs including internally developed websites, apps and other software are capitalised if they are non-monetary without physical substance and can be identified separately. The product will need to generate probable future economic benefits, expenditure can be measured reliably, and there are sufficient resources available to complete the product. If these conditions are not met, the expenses are charged to the profit and loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Straight line over 2 years
Fixtures and fittings	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

Financial instruments

The company 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

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 the statement of comprehensive income 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 statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

Operating leases: the company as a lessee

Rentals paid under operating leases are charged to the statement of comprehensive income 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.

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.

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.

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 - continued
for the year ended 31 December 2020

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:

	2020	2019
	£	£
United Kingdom	4,372,952	4,266,466
Europe	4,500	101,704
North America	2,328,089	2,431,492
	<u>6,705,541</u>	<u>6,799,662</u>

4. **EMPLOYEES AND DIRECTORS**

	Year Ended 31.12.20	Year Ended 31.12.19
£	£	
Wages and salaries	2,900,239	2,139,429
Social security costs	249,145	281,407
Cost of defined contribution scheme	143,180	95,081
	<u>3,292,563</u>	<u>2,515,917</u>

The average monthly number of employees, including directors, during the period was 30 (2019: 33).

Wages and salaries are split with amounts totalling £3,292,563 (2019: £2,515,917) expensed to the profit and loss and amounts totalling £1,320,830 (2019: £1,283,897) were capitalised to the balance sheet.

5. **OPERATING PROFIT**

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

	2020	2019
	£	£
Other operating leases	436,159	1,043,877
Depreciation - owned assets	49,845	49,474
Profit on disposal of fixed assets	(11,840)	-
Development costs amortisation	918,976	325,888
Auditors remuneration	21,750	20,000
Foreign exchange differences	<u>21,350</u>	<u>26,517</u>

6. **EXCEPTIONAL ITEMS**

	2020	2019
	£	£
Exceptional items	<u>-</u>	<u>(272,716)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

Included with in exceptional items for the year ended 31 December 2019 are redundancy costs totalling £320,824 incurred during the year and the reinstatement of £52,436 relating to 2018 an intercompany balance previously written off that is still recoverable and £4,329 relating to a compensation payment.

7. TAXATION

Analysis of the tax credit

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

	2020 £	2019 £
Current tax:		
Over provision of tax	-	(144,277)
Tax on profit	-	(144,277)

UK corporation tax has been charged at 19% (2019 - 19%).

Reconciliation of total tax credit 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:

	2020 £	2019 £
Profit before tax	<u>341,989</u>	<u>580,330</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	64,978	110,263
Effects of:		
Expenses not deductible for tax purposes	7,476	14,597
Income not taxable for tax purposes	(188,204)	(69,314)
Depreciation in excess of capital allowances	177,537	66,370
Utilisation of tax losses	(61,787)	(121,916)
Adjustments to tax charge in respect of previous periods	-	(144,277)

average rate of 19.00%

Total tax credit	<u>-</u>	<u>(144,277)</u>
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The tax credit in the year ended 31 December 2019 relates to R&D claim made for the year ended June 2018 not previously provided for in the accounts.

Factors that may affect future tax charges

As at 31 December 2020, Flyt had estimated tax losses available to offset against future profits of £10,417,398 (2019: £10,742,608). Due to the level of losses, a deferred tax provision on accelerated capital allowances has not been provided.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

8. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 January 2020	1,704,596
Additions	1,773,581
At 31 December 2020	<u>3,478,177</u>
AMORTISATION	
At 1 January 2020	329,320
Amortisation for year	918,976
At 31 December 2020	<u>1,248,296</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,229,881</u>
At 31 December 2019	<u>1,375,276</u>

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2020	35,575	73,705	223,420	332,700
Additions	-	-	72,548	72,548
Disposals	(9,256)	(62,066)	(148,358)	(219,680)
At 31 December 2020	<u>26,319</u>	<u>11,639</u>	<u>147,610</u>	<u>185,568</u>
DEPRECIATION				
At 1 January 2020	30,115	66,779	143,033	239,927
Charge for year	5,460	3,873	40,512	49,845
Eliminated on disposal	(9,256)	(62,320)	(134,944)	(206,520)
At 31 December 2020	<u>26,319</u>	<u>8,332</u>	<u>48,601</u>	<u>83,252</u>
NET BOOK VALUE				
At 31 December 2020	<u>-</u>	<u>3,307</u>	<u>99,009</u>	<u>102,316</u>
At 31 December 2019	<u>5,460</u>	<u>6,926</u>	<u>80,387</u>	<u>92,773</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

10. **FIXED ASSET INVESTMENTS**

	Listed investments £
COST	
At 1 January 2020	
and 31 December 2020	<u>8</u>
NET BOOK VALUE	
At 31 December 2020	<u>8</u>
At 31 December 2019	<u>8</u>

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

Flyt USA Inc

Registered office: USA

Nature of business: Technology services

	%
Class of shares:	holding
Ordinary	100.00

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

	2020 £	2019 £
Trade debtors	753,229	690,890
Amounts owed by group undertakings	8,359,868	4,875,778
Other debtors	263,672	312,981
Prepayments	41,939	70,440
	<u>9,418,708</u>	<u>5,950,089</u>

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

	2020 £	2019 £
Trade creditors	101,394	53,501
Amounts owed to group undertakings	286,234	5,869
Social security and other taxes	87,405	198,920
VAT	334,662	557,302
Other creditors	35,050	47,048
Accruals and deferred income	72,638	156,244
Accrued expenses	310,533	221,892
	<u>1,227,916</u>	<u>1,240,776</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	238,620	238,620
Between one and five years	318,160	556,780
	<u>556,780</u>	<u>795,400</u>

Included in the income statement in the financial year is the amount of £238,620 recognised as an expense in relation to lease payments.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
17,586,531	Ordinary	0.001	<u>17,587</u>	<u>17,587</u>

Ordinary shares have attached to them full voting rights. Ordinary shares do not confer any rights to redemption.

15. RESERVES

	Retained earnings	Share premium	Capital contribution reserve	Totals
	£	£	£	£
At 1 January 2020	(10,650,848)	11,780,918	5,856,000	6,986,070
Profit for the year	341,989			341,989
Capital contribution	-	-	3,685,000	3,685,000
At 31 December 2020	<u>(10,308,859)</u>	<u>11,780,918</u>	<u>9,541,000</u>	<u>11,013,059</u>

Capital Contribution Reserve

During the year the immediate holding company, Just Eat Holding Limited, funded a total of £3,685,000 to be considered as a capital contribution. The company will never be responsible to pay the amount back, as confirmed by Just Eat Holding Limited.

16. PENSION COMMITMENTS

Flyt Ltd operates a defined contribution plan under which the amount of benefits received by an employee is determined by the amount of contributions paid to a post-employment benefit plan. Payments to the defined contribution pension schemes are charged as an expense as they fall due. Amounts totalling £45,100 (2019: £6,608) were paid to the directors during the year under the defined contributions plan.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020

17. RELATED PARTY DISCLOSURES

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

The directors are considered to be key management personnel and the total remuneration paid to directors for services to the company for the year was £547,981 (2019: £334,016).

The directors did not receive any dividends during the year (2019: £Nil).

18. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Just Eat Takeaway.com N.V. The immediate holding company is Just Eat Holding Limited.

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