

DIGITAL CATAPULT
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

DIGITAL CATAPULT
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors

I A Baverstock (resigned 31 May 2020)
A J Green (resigned 1 May 2019)
P Guha (appointed 11 April 2020)
R H Ironside
J Maier (appointed 1 May 2019)
W J A Priest (appointed 1 May 2020)
J S Ridley-Smith
N D Sanders
L Shesgreen
J M Silver
S K Thomas
K R Underwood (appointed 1 April 2020)

Company secretary

C Stait

Registered number

07964699

Registered office

101 Euston Road
London
NW1 2RA

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG

DIGITAL CATAPULT
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DIGITAL CATAPULT
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020

Introduction

The directors present their Group Strategic Report for the year ended 31 March 2020.

Business Review

Digital Catapult continues to develop and mature its capabilities as the leading national innovation centre, driving early adoption of advanced digital technologies into the Manufacturing and Creative Industries. This includes the establishment of a new programme in distributed ledger technologies, alongside our artificial intelligence, future networks and immersive streams.

As digital technologies continue to challenge the boundaries between sectors and enable disruptive behaviours up and down value chains, Digital Catapult helps companies deliver products, services and experiences of the future. We are building value propositions for international businesses, giving them the confidence to locate their R&D across the UK because of our excellent capabilities. We are helping companies to build new partnerships and increase their absorptive capacity for innovation and new technologies.

Digital Catapult programmes are rooted in specific practical needs of the businesses we work with, as is the unique range of testbeds and facilities that we offer. They are all defined by clear strategic objectives that deliver real value to the economy, through job creation, increased investment, productivity growth and increased societal benefit.

In the short term, we help our partner businesses adapt new technologies to their markets, develop new business plans to exploit technology opportunities, understand key ethical issues in their business models, raise private investment and grant funding, and bring new products and services to market. In Financial year 19/20, we have worked with companies who between them have brought numerous new products and services to market. The longer-term impact of our work will be visible in the customers of those new products and services and the benefits to wider society and the economy from those innovations.

This past year has seen us create real momentum in the marketplace, growing our reputation through a track record of high-level technical competence, leading edge innovation capability and a responsible approach to technology optimism, as well as ambition for the companies we work with across all regions of the UK. We are more than excited about what we can do in the coming year as our ambition and impact grows.

Highlights of achievements in FY 19/20

Digital Catapult completed the second year of its second Five Year Delivery Plan (2018-2023). During this second year, we have developed and scaled the interventions established in year one, and begun to develop multi technology activities, such as the IoT themed cohort on the MI Garage, experimentation with immersive experiences over 5G and multiple CR&D proposals combining technology layers to address (for example) the reduction of carbon emissions in food and drink production.

The level of recognition for the organisation has increased significantly, and there is a tangible increase in demand for Digital Catapult's services. This year Digital Catapult has worked closely with over 462 SME's.

Digital Catapult reached each of its KPI targets which were set by Innovate UK with the exception of Collaborative Research and Development revenue (impacted by UK withdrawal from the EU and thereby participation opportunities in EU funded projects coupled with the delay in the release of UK funded programmes), delivered a high level of impact into each of its key programme areas and laid the ground for further innovation in subsequent years. It has refined its commercial and innovation offerings and clearly demonstrated their differentiation in the market. The regional strategy continues to strengthen.

Andy Green, the founding chairman resigned on 1 May 2019, and Juergen Maier was appointed Chairman on that date.

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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Regional Centres

Digital Catapult continues to deepen its existing local partnerships across the UK and develop a new presence in other regions. The regional strategy does not replicate the same focus in every location, but instead draws on local strengths and characteristics to make the most of expertise and maximise opportunities. This has started to create a multi-stakeholder UK-wide network of digital and physical facilities and clusters, focused on driving local innovation and empowering local stakeholders to work with Digital Catapult's national capabilities. This will allow these companies to build competitive digital businesses and become global leaders. This year (to 31/3/2020) we have sought to increase the number and scale of both collaborative research and development bids and commercial contracts delivered regionally. This is to augment the existing impact we see and to build additional capacity and capability within regions- aligned to the governments 'levelling up' agenda.

Our intent for 2021 is to undertake more specialised regional development. With emerging opportunities in areas such as Bristol and both East and West Midlands we will focus our activities to create regional centres of excellence that operate as a network.

Funding

Digital Catapult is funded by Innovate UK (UK Government grant) in accordance with the grant funding agreement to 2023. In addition, the company generated income from Collaborative Research and Development projects and Commercial business activities.

Commercial Income

This is the fifth year of trading for our subsidiary, DCS Ltd and we are pleased to report £2,995,003 of income.

Principle risks and uncertainties

The risk register is reviewed in combination with the parent company register, which was presented to the Audit Committee and Board. Each risk is followed up and actions taken to mitigate risk where practicable.

The most significant risks for the Group are:

A reduction in government funding or a material change in government policy, continues to be an ongoing risk. The government focus on covid-19 for some time may delay decisions for example on spending.

The impact of UK withdrawal from the EU may affect the availability of EU funded projects. The availability and timing of new funding opportunities by the UK government may be slow to materialise. This could impact the scope of collaborative research and development projects, innovation investment in the market and the speed of commercial adoption.

The economic impact of the pandemic on certain industrial sectors will create a downturn unevenly across different sectors. This will result in company failures and increased unemployment which will have a knock-on effect in terms of industrial participation in DC activities.

The Grant funding agreement (GFA) with Innovate UK contains a number of key performance indicators (KPIs), which, if not met for two years in succession would give Innovate UK the right to review the terms and continuation of the GFA

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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

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

J M Silver

Director

Date: 8 October 2020

DIGITAL CATAPULT
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

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 surplus or deficit 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 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 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.

DIGITAL CATAPULT
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Principal activities and review of business

This is the sixth year of Digital Catapult helping to accelerate the early adoption of advanced digital technologies by UK industry.

With policy responsibility sitting with both the UK Government's Department for UK Government's Business Energy Industrial Strategy (BEIS) and the Department for Digital Culture Media and Sport (DCMS), as well as being part of the world-renowned Catapult Network, Digital Catapult is the UK's leading advanced digital technology innovation centre. We accelerate the adoption of new and emerging technologies to drive regional, national and international growth for businesses across the UK economy.

With 140+ technology, innovation, industry and policy experts - Digital Catapult works with the supply and demand for advanced digital technologies - from start-ups and scaleups, to established businesses, investors, government and public sector, research and academia. Digital Catapult helps to discover and design new ways of solving industry challenges, increasing productivity and opening up new markets.

Digital Catapult's focus is on a new and emerging advanced digital technology stack, that combines:

- Future networks: 5G, the internet of things (IoT) and other next generation network technologies
- Artificial intelligence and machine learning
- Distributed systems (distributed ledger technologies, including blockchain)
- Immersive technologies (virtual, augmented and mixed reality, and haptics)

Digital Catapult (1) builds and operates physical and virtual facilities that would not exist without its investment; (2) designs and delivers specialised regional, national and international innovation programmes, that tackle capability and market failures, driving UK leadership and economic growth; and (3) build combined technology proof of concepts and pilots through collaborative and commercial research & development (R&D), unlocking the economic potential of innovation, helping to prove the business case and accelerate the adoption of emerging technology start-ups and scaleups solutions into industry.

We accelerate practical approaches to adoption – with ethical and security considerations – so that the UK can benefit from these technologies at a national scale.

The review of the business is presented in the strategic report

Sources of Income

In the current year, Digital Catapult was funded by a UK Government grant. In addition, the company generated income from Collaborative Research and Development projects and Commercial business activities.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial results

Turnover of £18,416,441 (2019: £18,944,679) was made up of grants totalling £15,421,438 (2019: £16,665,711) received from Innovate UK and Collaborative R&D projects and also £2,995,003 (2019: £2,278,968) of Commercial income from the Trading subsidiary, Digital Catapult Services Limited. Operational costs of the organisation were £18,190,623 (2019: £18,728,795) and Other operating income of £128,512 (2019: £nil) resulting in an operating profit of £354,369 (2019: £215,884).

The surplus for the year, after taxation, amounted to £249,026 (2019: £167,068).

The directors have disclosed some required information within the Group Strategic Report.

Director

The director who served during the year was:

I A Baverstock (resigned 31 May 2020)
A J Green (resigned 1 May 2019)
R H Ironside
J Maier (appointed 1 May 2019)
J S Ridley-Smith
N D Sanders
L Shesgreen
J M Silver
S K Thomas

Future developments

2020/21 will be significant for the UK as we leave the European Union and develop a new position and role for the UK in the global economy. The opportunity for UK companies to become more globally competitive in this environment resides in our ability to specialise and capitalise on our international reputation for innovation and creativity. Technology is at the heart of this, and the UK has a vibrant and growing tech ecosystem that with the right support, delivered locally, can continue to flourish and scale.

The core principles of the Digital Catapult strategy will remain the same, and our vision of the new technology stack will take a step further forward in development. However, in 2020/21 new themes will emerge in resilience, sustainability and net zero. This will become visible, particularly in our manufacturing work as we embark on new projects in the food supply chain and seek to build ambitious collaborative projects to address climate change. In the creative industries we are moving beyond our work in developing Dimension and starting to develop the UK's position as the leading global digital production centre and stimulate the development of new digital production techniques along with some ambitious proposals with academic and industrial partners for the creation of new world class facilities across the UK.

Digital Catapult will be at the heart of the most critical technology developments for business. In both the short term and in the longer term, Digital Catapult will ensure that opportunities are grown for UK innovation

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

DIGITAL CATAPULT
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Post balance sheet events

After the reporting date, COVID-19 was declared as a global pandemic. The Directors have considered the impact of Covid 19 on the accounting estimates, significant assumptions and cashflow projections of the Company in relation to the accounts to 31st March 2020.

Otherwise there have been no material developments or events which have occurred after the balance sheet date.

Auditor

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

J M Silver

Director

Date: 8 October 2020

DIGITAL CATAPULT
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DIGITAL CATAPULT

Opinion

We have audited the financial statements of Digital Catapult (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 March 2020, 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 2020 and of the Group's 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 Auditor's 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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DIGITAL CATAPULT (CONTINUED)

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

DIGITAL CATAPULT
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DIGITAL CATAPULT (CONTINUED)

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

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

Use of our report

This report is made solely to the Company's shareholders 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 shareholders those matters we are required to state to them in an Auditor's 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 shareholders for our audit work, for this report, or for the opinions we have formed.

Sue Staunton MA FCA CF (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG

14 October 2020

DIGITAL CATAPULT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Turnover	4	18,416,441	18,944,679
Gross profit		18,416,441	18,944,679
Administrative expenses		(18,190,623)	(18,728,795)
Other operating income	5	128,512	-
Operating profit	6	354,330	215,884
Interest receivable and similar income	10	39	-
Profit before taxation		354,369	215,884
Tax on profit	11	(105,343)	(48,816)
Profit for the financial year		249,026	167,068

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 16 to 33 form part of these financial statements.

DIGITAL CATAPULT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07964699

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

Note	2020 £	2019 £
Fixed assets		
Tangible assets	12 3,572,545	4,945,552
Investments	13 150,000	150,000
	<hr/> 3,722,545	<hr/> 5,095,552
Current assets		
Debtors: amounts falling due after more than one year	14 1,908,000	1,908,000
Debtors: amounts falling due within one year	14 5,079,465	7,030,474
Cash at bank and in hand	15 3,882,686	1,803,229
	<hr/> 10,870,151	<hr/> 10,741,703
Creditors: amounts falling due within one year	16 (7,314,506)	(7,762,508)
	<hr/> 3,555,645	<hr/> 2,979,195
Net current assets	<hr/> 3,555,645	<hr/> 2,979,195
Total assets less current liabilities	<hr/> 7,278,190	<hr/> 8,074,747
Creditors: amounts falling due after more than one year	17 (6,683,735)	(7,729,318)
Provisions for liabilities		
Net assets excluding pension asset	<hr/> 594,455	<hr/> 345,429
Net assets	<hr/> 594,455	<hr/> 345,429
Capital and reserves		
Profit and loss account	20 594,455	345,429
Equity attributable to owners of the parent Company	<hr/> 594,455	<hr/> 345,429
	<hr/> 594,455	<hr/> 345,429

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

J M Silver
Director

Date: 8 October 2020

The notes on pages 16 to 33 form part of these financial statements.

DIGITAL CATAPULT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07964699

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	3,572,545	4,945,552
Investments	13	1	1
		<hr/>	<hr/>
		3,572,546	4,945,553
Current assets			
Debtors: amounts falling due after more than one year	14	1,908,000	1,908,000
Debtors: amounts falling due within one year	14	7,116,781	8,071,687
Cash at bank and in hand	15	1,965,106	705,741
		<hr/>	<hr/>
		10,989,887	10,685,428
Creditors: amounts falling due within one year	16	(7,747,559)	(7,874,409)
		<hr/>	<hr/>
Net current assets		3,242,328	2,811,019
		<hr/>	<hr/>
Total assets less current liabilities		6,814,874	7,756,572
Creditors: amounts falling due after more than one year	17	(6,683,735)	(7,729,318)
		<hr/>	<hr/>
Net assets		131,139	27,254
		<hr/>	<hr/>
Capital and reserves			
Profit and loss account	20	131,139	27,254
		<hr/>	<hr/>
		131,139	27,254
		<hr/>	<hr/>

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

J M Silver

Director

Date: 8 October 2020

The notes on pages 16 to 33 form part of these financial statements.

DIGITAL CATAPULT
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Profit and loss account £	Total equity £
At 1 April 2018	178,361	178,361
Comprehensive income for the year		
Profit for the year	167,068	167,068
	<hr/>	<hr/>
At 1 April 2019	345,429	345,429
Comprehensive income for the year		
Profit for the year	249,026	249,026
	<hr/>	<hr/>
At 31 March 2020	<u>594,455</u>	<u>594,455</u>

The notes on pages 16 to 33 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Profit and loss account £	Total equity £
At 1 April 2018	(32,325)	(32,325)
Comprehensive income for the year		
Profit for the year	59,579	59,579
	<hr/>	<hr/>
At 1 April 2019	27,254	27,254
Comprehensive income for the year		
Profit for the year	103,885	103,885
	<hr/>	<hr/>
At 31 March 2020	<u>131,139</u>	<u>131,139</u>

The notes on pages 16 to 33 form part of these financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	249,026	167,068
Adjustments for:		
Depreciation of tangible assets	1,649,416	1,504,786
Loss on disposal of tangible assets	-	(8,398)
Interest received	(39)	-
Taxation charge	105,343	48,816
Decrease/(increase) in debtors	1,959,353	(1,022,714)
(Decrease)/increase in creditors	(1,546,670)	515,112
Corporation tax (paid)	(60,602)	(66,895)
Net cash generated from operating activities	<u>2,355,827</u>	<u>1,137,775</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(276,409)	(754,233)
Sale of tangible fixed assets	-	55,372
Purchase of fixed asset investments	-	(150,000)
Interest received	39	-
Net cash from investing activities	<u>(276,370)</u>	<u>(848,861)</u>
Net increase in cash and cash equivalents	<u>2,079,457</u>	288,914
Cash and cash equivalents at beginning of year	1,803,229	1,514,315
Cash and cash equivalents at the end of year	<u><u>3,882,686</u></u>	<u><u>1,803,229</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>3,882,686</u>	1,803,229
	<u><u>3,882,686</u></u>	<u><u>1,803,229</u></u>

The notes on pages 16 to 33 form part of these financial statements.

DIGITAL CATAPULT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. General information

Digital Catapult is a company incorporated in England and Wales, and limited by guarantee.

Digital Catapult is the UK's leading advanced digital technology innovation centre. It drives the early adoption of digital technologies to make UK businesses more competitive and productive to grow the country's economy

The Company's registered office is 101 Euston Road, London, NW1 2RA.

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 Company and its own subsidiary ("the Group") as if they formed 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 upon which control is obtained. They are deconsolidated from the date control ceases.

DIGITAL CATAPULT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 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.

2.4 Going concern

Funding for the 5 year term from 2018/19 onwards was confirmed in November 2018. This core funding is supplemented by funding from other sources.

The Grant funding agreement (GFA) contains a number of key performance indicators (KPIs), which, if not met for two years in succession, would give Innovate UK the right to review the terms and renewal of the GFA.

The COVID-19 pandemic has impacted the business since the date of these accounts. Detailed forecasts have been prepared and continue to be updated as trading continues and the pandemic unfolds. As a result of this ongoing work, and mitigation measures taken, the Directors currently have no reason to believe that the pandemic will have an impact on the Company's ability to continue trading as a going concern.

DIGITAL CATAPULT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

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.

2.6 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:

Fixtures & fittings	- 3 years straight line.
Office equipment	- 3 years straight line.
Other fixed assets	- Over 10 years or the lease term, if shorter

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.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

DIGITAL CATAPULT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102.

Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

DIGITAL CATAPULT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The Company and Group'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'.

2.14 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.

2.15 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

DIGITAL CATAPULT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.16 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

2.17 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.

2.18 Interest income

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.19 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.20 Research and development

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, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

The recognition of income arising from government grants has been carefully considered to ensure compliance with the requirements of the accruals based approach permitted under FRS 102.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Core grant	12,401,266	12,620,444
Collaborative R&D and other income	3,020,172	4,045,267
Digital Catapult Services fees receivable	2,995,003	2,278,968
	<u>18,416,441</u>	<u>18,944,679</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	17,325,902	17,487,133
Rest of Europe	1,090,539	1,457,546
	<u>18,416,441</u>	<u>18,944,679</u>

5. Other operating income

	2020 £	2019 £
Research & development expenditure credits	128,512	-
	<u>128,512</u>	<u>-</u>

6. Operating profit/(loss)

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

	2020 £	2019 £
Research & development charged as an expense	2,634,100	2,315,965
Exchange differences	427	20,838
Other operating lease rentals	954,735	1,202,045
Depreciation	1,649,416	1,504,786
Group audit fees	<u>14,350</u>	<u>13,990</u>

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	9,200	8,995
Fees payable to the Group's auditor and its associates in respect of:		
The auditing of accounts of associates of the Group pursuant to legislation	5,150	4,995
Preparation of the annual accounts	2,900	2,830
Services in relation to corporation tax compliance	2,600	2,600
Other services relating to taxation	20,000	17,850
All other services	9,000	5,150
	<u>48,850</u>	<u>42,420</u>

8. Employees

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	8,091,878	7,259,749	8,091,878	7,259,749
Social security costs	875,191	757,441	875,191	757,441
Cost of defined contribution scheme	624,541	554,186	624,541	554,186
	<u>9,591,610</u>	<u>8,571,376</u>	<u>9,591,610</u>	<u>8,571,376</u>

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

	2020 No.	2019 No.
Management and administration	32	31
Development and Technology	36	26
Commercial, CR&D, Delivery and Communities	60	46
Non-Executives	8	8
	<u>136</u>	<u>111</u>

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	631,810	546,580
Company contributions to defined contribution pension schemes	14,605	38,730
	<u>646,415</u>	<u>585,310</u>

During the year retirement benefits were accruing to 1 director (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £327,006 (2019 - £285,959).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2019 - £21,630).

10. Interest receivable

	2020 £	2019 £
Other interest receivable	<u>39</u>	<u>-</u>

11. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	113,687	72,451
Adjustments in respect of previous periods	-	(15,946)
Total current tax	<u>113,687</u>	<u>56,505</u>
Deferred tax		
Origination and reversal of timing differences	(6,502)	(7,689)
Changes to tax rates	(1,842)	-
Total deferred tax	<u>(8,344)</u>	<u>(7,689)</u>
Taxation on profit on ordinary activities	<u>105,343</u>	<u>48,816</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>354,369</u>	<u>215,884</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	67,330	41,018
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	15,552	33,485
Fixed asset differences	8,925	(10,521)
Adjustments to tax charge in respect of prior periods	-	(15,946)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(24,417)	(14,131)
RDEC notional tax claim	37,953	14,911
Total tax charge for the year	<u>105,343</u>	<u>48,816</u>

Factors that may affect future tax charges

The Finance Act 2016 enacted a reduction in the main rate of corporation tax from 19% to 17% from 1 April 2020. As this change of rate was enacted at the balance sheet date then deferred tax balances have been stated at a rate of 17%. On 17 March 2020 the Government announced their intention to cancel this reduction in the corporation tax rate. As a result the deferred tax timing differences are expected to reverse at 19%.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

12. Tangible fixed assets

Group and Company

	Fixtures & fittings £	Office equipment £	Property improvements £	Total £
Cost or valuation				
At 1 April 2019	301,524	4,978,374	5,431,169	10,711,067
Additions	28,762	212,364	35,283	276,409
At 31 March 2020	330,286	5,190,738	5,466,452	10,987,476
Depreciation				
At 1 April 2019	93,284	3,395,123	2,277,108	5,765,515
Charge for the year on owned assets	101,974	1,008,469	538,973	1,649,416
At 31 March 2020	195,258	4,403,592	2,816,081	7,414,931
Net book value				
At 31 March 2020	135,028	787,146	2,650,371	3,572,545
At 31 March 2019	208,240	1,583,251	3,154,061	4,945,552

All of the Group's tangible fixed assets are held in the parent company

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. Fixed asset investments

Group

**Other fixed
asset
investments
£**

Cost or valuation

At 1 April 2019 150,000

At 31 March 2020 150,000

Net book value

At 31 March 2020 150,000

At 31 March 2019 150,000

Company

**Investments in
subsidiary
companies
£**

Cost or valuation

At 1 April 2019 1

At 31 March 2020 1

Net book value

At 31 March 2020 1

At 31 March 2019 1

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Digital Catapult Services Limited	101 Euston Road, London, NW1 2RA	Commercial activities designed to drive UK Innovation and SME engagement	Ordinary	100 %

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due after more than one year				
Other debtors	1,908,000	1,908,000	1,908,000	1,908,000
	<u>1,908,000</u>	<u>1,908,000</u>	<u>1,908,000</u>	<u>1,908,000</u>
	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due within one year				
Trade debtors	332,060	937,128	3,000	56,219
Amounts owed by group undertakings	-	-	2,992,103	2,208,557
Other debtors	372,409	638,925	207,446	631,889
Prepayments and accrued income	4,350,999	5,438,768	3,890,235	5,159,369
Deferred taxation	23,997	15,653	23,997	15,653
	<u>5,079,465</u>	<u>7,030,474</u>	<u>7,116,781</u>	<u>8,071,687</u>

Other debtors include £1,908,000 (2019: £1,908,000) that is receivable after one year. The amount relates to a lease deposit due back at the end of the lease period.

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

15. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	<u>3,882,686</u>	<u>1,803,229</u>	<u>1,965,106</u>	<u>705,741</u>

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

16. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	259,392	824,932	259,392	824,932
Amounts owed to group undertakings	-	-	1,541,308	943,245
Corporation tax	110,625	57,540	76,580	32,326
Other taxation and social security	264,837	269,903	264,838	269,903
Other creditors	583,054	141,185	163,053	141,184
Accruals and deferred income	6,096,598	6,468,948	5,442,388	5,662,819
	<u>7,314,506</u>	<u>7,762,508</u>	<u>7,747,559</u>	<u>7,874,409</u>

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Accruals and deferred income	6,683,735	7,729,318	6,683,735	7,729,318
	<u>6,683,735</u>	<u>7,729,318</u>	<u>6,683,735</u>	<u>7,729,318</u>

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

18. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets measured at fair value through profit or loss	3,882,686	1,803,229	1,965,106	705,741
Financial assets that are debt instruments measured at amortised cost	6,684,094	8,667,791	8,721,409	9,709,003
	<u>10,566,780</u>	<u>10,471,020</u>	<u>10,686,515</u>	<u>10,414,744</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(2,028,708)</u>	<u>(2,841,627)</u>	<u>(3,150,016)</u>	<u>(3,784,872)</u>

Financial assets measured at fair value through profit or loss comprises of cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprises of debtors excluding prepayments and deferred tax.

Financial liabilities measured at amortised cost comprises of trade creditors, other creditors and finance lease obligations due in less than one year.

DIGITAL CATAPULT
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

19. Deferred taxation

Group

	2020 £
At beginning of year	15,653
Charged to profit or loss	8,344
	<hr/>
At end of year	<u>23,997</u>

Company

	2020 £
At beginning of year	15,653
Charged to profit or loss	8,344
	<hr/>
At end of year	<u>23,997</u>

The deferred tax asset is made up as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Fixed asset timing differences	-	7,986	-	7,986
Pension surplus	23,997	7,667	23,997	7,667
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>23,997</u>	<u>15,653</u>	<u>23,997</u>	<u>15,653</u>

20. Reserves

Profit & loss account

The profit & loss account is the Company's accumulated profits or losses at the year end date.

21. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

DIGITAL CATAPULT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

22. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension charge represents contributions payable by the Group to the fund and amounted to £624,541 (2019: £554,186). Contributions totalling £95,892 (2019: £75,831) were payable to the fund at the balance sheet date and are included in creditors.

23. Commitments under operating leases

At 31 March 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Not later than 1 year	691,259	976,190	691,259	976,190
Later than 1 year and not later than 5 years	3,049,551	3,742,060	3,049,551	3,742,060
	<u>3,740,810</u>	<u>4,718,250</u>	<u>3,740,810</u>	<u>4,718,250</u>

24. Related party transactions

During the year ended 31 March 2020 the Company reimbursed directors' travel and subsistence expenses for a total of £4,081 (2019: £5,747). A total of £nil (2019: £nil) were outstanding at the year end.

During the year ended 31 March 2020 the Digital Catapult Services Limited advanced a loan of £nil (2019: £50,000) to Creative Capture Services Limited, a company of which Jeremy Silver is a Non-Executive Director. Jeremy Silver represents Digital Catapult on the Board of Creative Capture Services Limited.

During the year ended 31 March 2020 the Company made purchases of £nil (2019: £224,688) from Hammerhead Interactive Limited. Jeremy Silver represents Digital Catapult on the Board of Hammerhead Interactive Limited. A total of £nil (2019: £26,294) was outstanding at the year end.

Entities over which the Company has control

The Company controls Digital Catapult Services Limited by way of its 100% shareholding. During the year ended 31 March 2020 the Company recharged costs of £2,810,874 (2019: £2,142,001). At 31 March 2020, Digital Catapult Services Limited owed the Company £2,992,102 (2019: £2,208,557) and £1,541,308 (2019: £943,245) was owed to Digital Catapult Services Limited from the Company.

25. Controlling party

There is no single 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.