

Registered number: 07964746

SATELLITE APPLICATIONS CATAPULT LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

COMPANY INFORMATION

Directors	Simon Acland Chad Anderson Sanjay Bhandari (appointed 1 July 2021) Lucy Edge Susan Hunt William Hutton Dr Vanessa Lawrence CB Stuart Martin Stewart Miller (appointed 1 July 2021) Lynne Patmore Timothy Sherwood Richard Tuffill
Company secretary	Richard Tuffill
Registered number	07964746
Registered office	Electron Building Fermi Avenue Harwell Science and Innovation Campus Didcot Oxfordshire OX11 0QR
Independent auditor	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Group strategic report	1 - 6
Directors' report	7 - 9
Independent auditor's report	10 - 14
Consolidated statement of comprehensive income	15
Consolidated statement of financial position	16 - 17
Company statement of financial position	18 - 19
Consolidated statement of changes in equity	20 - 21
Company statement of changes in equity	22 - 23
Consolidated Statement of cash flows	24
Analysis of net debt	25
Notes to the Financial Statements	26 - 49

SATELLITE APPLICATIONS CATAPULT LIMITED

(A company limited by guarantee)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Strategic overview

The Group's mission is "to innovate for a better world, empowered by satellites."

The Group's vision is "to be a world-leading technology and innovation company, helping businesses of all sizes to realise the potential from space. By embracing a pioneering, agile, collaborative, and entrepreneurial spirit, we create valued partnerships to deliver game changing results."

The main criteria for the Group's activities remains growing economic impact in the UK through:

- Commercial growth of the UK Space sector through supporting the commercial revenue and job growth that will enable the sector to accelerate and deliver an annual economic return of £475m per year by the end of 2023.
- Regionally balanced UK space sector growth by delivering the opportunity and benefits of space across UK regions.
- Enhancements to environmental and social sustainability, productivity, and quality of life by supporting improved performance of the sector and supporting development of space enabled solutions for UK and global challenges.

Review of the year

Despite Covid-19 and the challenges this has created, our plans for the year ended 31 March 2021 (FY21) progressed well, and some of the biggest space sector challenges have become some of the Catapult's biggest successes. An example is the Catapult involvement in making the case for UK government investment in OneWeb and its rescue from Chapter 11.

Alongside this, government interest in space has continued to grow as evidenced by the creation of the National Space Council, the role of space in the Integrated Review and the upcoming publication of the National Space Strategy. Whilst the strategy has not yet been published, we are hopeful that Catapult input around satellite broadband, in-space robotics and manufacturing, space based solar power, future of transport, a UK space finance hub and others will all be included.

We identified three broad priorities in our FY21 plan and progress is outlined below. These are presented against advancing key projects linked to market growth and commercialisation, opening new markets, and regional development.

Advancing key projects linked to market growth and commercialisation:

Developing our Ambulance Living Lab was a priority to enable UK businesses to deliver healthcare services at scale and further demonstrate the wider benefits of ubiquitous connectivity. This has evolved into the Healthy Living Lab, which has been established, with customers already making use of it, such as to host virtual events with representatives from the World Health Organisation and Gavi as well as our Milton Keynes 5G project events. The Lab was also the site for the filming of NHS Arden & GEM CSU's submission into the Ambulance Leadership Forum 2021.

The ESA-funded ForestMind project was recognised as a key opportunity in line with global sustainability and climate priorities. The project demonstrates how satellite-enabled solutions map and therefore prevent deforestation caused by global supply chains. In future, other supply chain externalities such as water usage, carbon, and other challenges critical for sustainable supply chains can be supported. The project kicked off in FY21 and the critical design review milestone has been passed. A legal entity has been created, and we expect ForestMind to be a strong component of our Year of Climate campaign leading to COP26.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Our work with the Church of England and a group of institutional investors (representing more than \$16 trillion worth of assets) successfully demonstrated how tailings dam monitoring can incorporate satellite technology to provide greater disclosure on the management of tailings storage facilities. We have secured onward commercial exploitation initially through a partnership agreement with a global systems integrator who have integrated satellite data into their tailings management solution. Furthermore, the demonstration of the work with Church of England was instrumental in securing a partnership with a global engineering company which will be used to offer UK space capability to underpin the world's first independent Tailings Centre in Minas Gerais, Brazil.

Our In-orbit demonstration (IOD) programme has continued to create exciting new businesses. IOD1 GEMS with Orbital Microsystems (OMS) extended the operations of the satellite beyond the date initially estimated and following this they have launched a new business in Scotland called Weatherstream. IOD5 TARS launched supporting Kepler's GEN1 constellation for global data backhaul. IOD3 with Horizon Technologies is now being tested and will launch in FY22 to detect RF signals.

Opening new markets:

We have also progressed opening new market opportunities to drive the uptake of satellite services from UK businesses. Climate and sustainability development saw us creating the Spatial Finance Initiative which evolved to be part of the recently announced Centre for Greening Finance and Investment. First major projects related to sustainable finance saw completion of an asset level dataset for cement and steel with the Oxford Sustainable Finance Programme and the Alan Turing Institute and strong engagement in influencing aspects of the UK green finance strategy. Our CommonSensing project for climate resilience also received strong accolades from the UN and Commonwealth. With respect to drones, we secured two projects for ISCF Future of Flight (connectivity for drones) and are now planning to establish Westcott as a drone port with support from BTVLEP.

With the growing opportunities in space, we have continued to target raising UK ambition and starting to open some of the markets in this area. Ambition in the UK has been stimulated through publication of our long-term technology strategy. The project to develop the In Orbit Servicing Control Centre (IOSCC) in collaboration with Astroscale, GMV, Rhea and CGI completed with the mission launched on 21 March 2021. The IOSCC is now fully operational and is now supporting Astroscale to demonstrate active debris removal in space. We co-chair the UKSpace in-orbit services and manufacturing working group which has seen its membership grow to more than 40 organisations over the last year. This culminated in a report for UKSA outlining how in-orbit servicing can create capability that can be applied to wider assembly and manufacturing opportunities in space. We also established the Space Energy Initiative which now has more than 20 organisations working together toward Space Based Solar Power.

Regional Development:

We recognised that in creating the industries of tomorrow our regional development plans and levelling up are key. Our Disruptive Innovation from Space Capability (DISC) at Westcott has progressed with the opening of the Westcott Innovation Centre and a follow-on DISC 2 facility with an additional £2m of investment. Further investment has already been secured in FY22. Interest from LEPs around the country in our space business park concept is growing quickly and this will be an important set of interventions in levelling up the UK economy. We continue to work very closely with UKSA on regional growth and will also have staff based in an office at the Leicester Space Park by early FY22.

Value Stream highlights

In addition to the highlights noted previously, the following section outlines other key achievements of our technology and market-focused value streams.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Geospatial Intelligence: We continue to build momentum in demonstrating the role of Earth Observation (EO) underpinning the UK's growing focus on climate and the environment, and how the measurement of nature using EO will underpin the UK's ability to deliver against key sustainability targets whilst also driving economic growth.

We have worked closely with a range of organisations including The Geospatial Commission, The Crown Commercial Service, Navenio, MDA, 2ExcelGeo, Alcis, SatSense, Mantle Labs, PlanSpatial, DarkHorseTech, University of Leicester, University of Oxford, and Space Park Leicester. Key collaborations have progressed on topics such as sustainable production and supply chains in agriculture, improved environmental, social and governance (ESG) data transparency and standardisation and driving innovation towards Net Zero. One project, CommonSensing, has been focused on making EO more accessible through open-source technology and we plan to make many of the solutions we have worked on publicly available. We are also working on positioning geospatial technology as a key security infrastructure in the UK, demonstrated through the XCEPT project (X-Border Conflict Evidence, Policy and Trends) which provides real-time data, expertise, and public good research to inform the policy and operations of UK Government departments, such as Foreign, Commonwealth and Development Office (FCDO), and partners, and Brigital, an infrastructure risk management toolset that we are developing with consulting engineers to explore commercial exploitation.

Ubiquitous Connectivity: Our work to progress ubiquitous connectivity has been successful during FY21. Westcott has been developed as a nationally recognised 5G testbed, alongside our 5G infrastructure and projects in Milton Keynes (trials now starting), and the Rural Connected Communities UK5G project in Dorset. This has all continued to demonstrate the value of integrated satellite and terrestrial connectivity.

With the announcement of a new OneWeb demo experience centre in Westcott, we will continue to drive the integration of 5G and new constellations.

Access to Space: In addition to the IOD1, IOD3 and IOD5 progress outlined above, we have two further IOD mission opportunities that will be available this year for companies to apply for to be part of the next generation of success engendered by the IOD programme.

Agriculture: We have continued to grow our Agri Value Stream and have secured or progressed key collaborative projects (e.g. ForestMind, COLCO Phase 2, and Trusted Bytes), initiated strategic developments (e.g. Agri Living Lab and FeedUK), and supported project sustainability activities (e.g. RCC Dorset and Net Zero Enabling Conditions). We continue to focus on creating opportunities for UK PLC in emerging markets and have delivered pipeline stimulation projects for UK businesses in Brazil, India, Turkey, and Colombia.

Health: The culmination of several initiatives and projects has developed into the Healthy Living Lab hosted at Westcott Innovation Centre. We already have various SMEs interested to use the Lab as a test facility, and projects funded by ESA, SEMLEP and others are using the methodology to shape their outputs. We also continue to see the methodology and premises being used by large incumbents in the health sector e.g. NHS Digital, Intel or UK Health Security Agency.

Transport: We continue to grow our Transport and Infrastructure value stream through key technology demonstrators like Brigital and its partnerships in Canada as well as being a key trusted supplier to institutional customers like Department for Transport (DfT) and England's Economic Heartland (EEH). DfT and EEH have both looked to the Catapult to explore how future systems and advancements in space technology will shape their strategy in transport and the related agglomeration effects it is expected to have on the wider economy.

The approach we have taken with DfT and EEH is also beginning to generate interest in the private sector with organisations expressing interest in us playing a consultative role to support them and how space can play an increasing role in their business and interactions with SMEs.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Extractive Industries: Within our Extractive Industries value stream we delivered our commitments in FY21 such as showcasing the potential of space for monitoring tailings dams to stimulate new market opportunities for UK PLC as well as securing new funding to progress the Satellites for Batteries initiative which we hope to showcase at COP26. The Catapult has led this initiative with six other UK organisations to build on previous research on remote detection of lithium and other battery related metals in Cornwall and aims to capitalise on this demand by enabling a space enabled UK value chain that can deliver a battery metal prospecting tools for the mining sector.

Our 'MineSense' Community has continued to grow rapidly by providing a trusted community where space meets mining and is designed to stimulate direct collaboration between technology supply and demand and the development of innovative space-based solutions to support the mining industry. This community has grown to over 300 members.

Climate and Sustainability: Throughout FY21 we accelerated awareness and outreach activities, promoting the relevance of satellite data and spatial analysis for sustainable finance with briefings provided to UK Government departments, speaking at national and international events, issuing reports and contributing to financial industry guidelines. Through the cement and steel asset-level data project we engaged with more than 50 potential users that will use the project outputs for their own analysis, research, or building derived commercial offerings.

Within our Sustainable Development work, we delivered multiple projects. CommonSensing saw the successful deployment of tailored geospatial climate risk analytics platforms for governments in Fiji, Vanuatu and Solomon Islands. Sat4Wildlife is creating an online platform and marketplace bringing together technology providers and conservationists to create an ecosystem of accessible, effective tools for conservation. The project was highlighted by BBC news and received much interest from organisations across the UK Space Sector, Africa and the European Space Agency. The Net Zero - Enabling Conditions Project explored a cross-Catapult strategy for driving forward the Net Zero agenda over the next few years.

Future Systems:

Connected Car - we have continued to develop both the core technology under the Connected Automotive Satellite Serviced Integrated System (CASSIS) project and with the wider ecosystem. The transition of the project from technology through to product phase is accelerating, with partnerships established between Ensilica and Celestia for the antenna subsystems, and Livewire and NXP for the embedded in-vehicle connectivity platforms.

Future of Aviation - this has been the culmination of several years of raising awareness of the value of satellite services for future of aviation, recognising the major paradigm shift in airspace management and underpinning systems associated with autonomous drone platforms. Our Rural Connected Communities UK5G project in Dorset encompasses and supports innovation in the use of drones for agricultural and maritime coastal applications. We have partnered with Cranfield and Connected Places Catapult to secure projects with industry such as Thales in the Airspace of the Future programme and leading from our Inmarsat Lightbar project have supported Honeywell and Inmarsat in the creation and trialling of a small UAV satellite communications device. We are now developing a Drone Port initiative at Westcott to demonstrate the viability of new 5G satellite technologies for the future of flight.

Resilient PNT - we have participated actively in the UK SBPP programme initiation and promoted the concept of LEO-based positioning, navigating and timing (PNT) within UK government and other communities of interest. We have secured the commitment of OneWeb for a contract design, definition, and specification of a PNT augmentation to both the Generation-1 and Generation-2 systems involving key institutions such as National Timing Centre, Ordnance Survey, MetOffice and STFC and the academic sector. This programme engages widely with the UK ecosystem of technology and channel partnerships as part of creating future capability both for novel products and services for export purposes.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Net Zero Carbon; Space-Based Solar Power; Manufacturing for Space - In response to the drive towards the UK Net-Zero ambitions, together with Frazer-Nash we have helped to shape the sector activities towards envisioning and preparing to realise future Space Based Solar Power capabilities. We are developing the DISC digital manufacturing for space capability in Westcott, in partnership with the High Value Manufacturing Catapult.

Utilisation of assets fell during FY21 as a result of facilities being closed during Government enforced lockdowns as part of the response to the Covid-19 pandemic. Utilisation of assets is expected to increase back in line with prior years going forwards.

Spinouts:

Our spinouts from previous years have performed well during FY21. Bird.i was acquired in April 2020 by MidOcean Partners, a New York-based alternative asset manager that specializes in middle market private equity and credit investments, and Orbital Witness and OceanMind have both seen year-on-year revenue growth. Space Store, which is an experiential store dedicated to bringing space to everyone, has had a challenging year due to the pandemic, but has developed exciting growth plans for the future.

Principal risks and uncertainties

Details of the principal risks and uncertainties facing the Group are included in the report of the directors.

Key performance indicators

The Group's primary KPIs are shown in the table below:

		2021	2020	% Change	2021
	Key Performance Indicator	Actual	Actual	vs 2020	Target
1	Innovate UK core funding claimed (£'m)	12.7	12.0	6%	13.3
2	Collaborative income (£'m)	8.9	9.1	(2%)	16.0
3	Commercial income (£'m)	2.6	2.7	(4%)	7.0
4	Utilisation of assets (%)	27%	52%	(48%)	50%
5	Funding raised by business clients supported (£'m)	74.2	37.7	97%	40

Definitions

1. Core funding received from Innovate UK for investment in core research programmes, capabilities, know-how, expertise, skills and long-term capital assets of the centre
2. Collaborative income from contracts jointly funded by the public and private sector which are won competitively and include national and international activities
3. Commercial income contracts won competitively
4. Percentage of utilisation of assets
5. Total equity raised by businesses supported

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Plans and outlook for the next year

The space sector both globally and in the UK is at another turning point, and the recognition of the importance of space as a vehicle for economic growth, for security, for sustainability and for international partnership has never been clearer. Space featured heavily in the recent government integrated review and the national space strategy is due to be published. Early indications are that this could be ambitious, and we will work to ensure that commensurate funding and support follows the ambition, particularly as the UK seeks to define a new balance with respect to UK/ESA programmes. We are working with Innovate UK to increase our revenue profile and build a shared understanding of the funding environment and the activities of the Catapult.

We have a strong programme of work for FY22 that continues to build on our strengths and reputation of opening new markets and applications of space, and we will be focusing on:

- Realising the UK R&D and sectoral growth opportunity from OneWeb.
- Delivering our Re-imagining Space campaign to raise ambition of the UK space sector.
- Using COP26 as a key opportunity to build interest in space for climate and sustainability.
- Accelerating the embedding of satellite connectivity into 5G through our 5G testbeds.
- Opening scalable commercial routes to market for geospatial intelligence.
- Expanding our focus in access to space to start to position toward the in-space economy.
- Building out our DISC capabilities at Wescott and Harwell and driving regional growth.

Gender information

The Group is an equal opportunities employer and supports the principle of equality of treatment in employment and is committed to ensuring that employees are not discriminated against, and men and women are paid equally for equal work.

As at the year end, the Group employed:

	Male	Female
Directors	6	4
Senior Managers	18	6
Employees	61	57

This report was approved by the board on 29 July 2021 and signed on its behalf.



Stuart Martin
Chief Executive Officer

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

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

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

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

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

Results and dividends

The profit for the year, after taxation, amounted to £1,380,994 (2020 - loss £1,283,539).

The Group's trading results for the year and the Group's and Company's financial position at the end of the year are shown in the attached financial statements.

Satellite Applications Catapult Limited ("the Company") is a private company limited by guarantee and was incorporated in February 2012 as a not-for-profit research organisation, in which trading surplus generated is reinvested by the Company to progress the achievement of its objectives. The Company commenced trading in January 2013.

These consolidated financial statements include the results and financial position of the Company and its trading subsidiaries and associates, Satellite Applications Catapult Services Limited, Satellite Applications Catapult SpA and non-trading subsidiaries Satellite Applications Catapult Incorporated, EASOS Limited, ForestMind, International Space Innovation Centre Limited (together the 'Group').

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

Directors

The Directors who served during the year were:

Simon Acland
Chad Anderson
Lucy Edge
Susan Hunt
William Hutton
Dr Vanessa Lawrence CB
Stuart Martin
Lynne Patmore
Timothy Sherwood
Richard Tuffill

Future developments

The Group will continue to encourage and facilitate innovation and growth in the UK space sector to assist the UK in growing its market share to 10% of the £400bn global space market predicted by 2030. More details are contained in the Strategic Report.

Principal risks and uncertainties

The prolonged Brexit process and the current Covid-19 pandemic have both weighed on the funding and financial performance of the Group and continue to create uncertainty for the economy as a whole. While the space sector is not immune to this, recent government statements in support of the sector, and research and development in general, provide encouragement that there will be opportunities in the future for the Catapult to play a key role in supporting the continued growth of the sector.

Nevertheless, the most significant risk for the Group continues to be a reduction in government funding or a material change in government policy. To provide mitigation against this risk, the Group has diversified the sources of funding for its research and development projects and other commercial streams.

The Group monitors cash flow as part of its day-to-day control procedures. The directors consider cash flow projections on a regular basis and ensures that appropriate funds are available, as necessary. Additional scrutiny of cash flow projections has been considered in the current Covid-19 pandemic. Further details of the Group's financial risk management policies, including currency risks, are given in note 24 to these financial statements.

The Group has a detailed risk register which the directors review on a regular basis and actions are taken to mitigate risk where practical.

Qualifying third party indemnity provisions

Qualifying third party indemnity insurance was held on behalf of the directors during the year.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

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.

Post balance sheet events

There are no significant post balance sheet events.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 July 2021 and signed on its behalf.


Richard Tuffill
Chief Finance Officer

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SATELLITE APPLICATIONS
CATAPULT LIMITED**

Opinion

We have audited the financial statements of Satellite Applications Catapult Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's 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

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

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

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

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SATELLITE APPLICATIONS
CATAPULT LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SATELLITE APPLICATIONS
CATAPULT LIMITED (CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SATELLITE APPLICATIONS
CATAPULT LIMITED (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 Group financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3, on page 33, were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SATELLITE APPLICATIONS
CATAPULT LIMITED (CONTINUED)**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.


Richard Baker (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

3 August 2021

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	Note	2021 £	2020 £
Turnover	4	23,440,112	23,739,790
Gross profit		23,440,112	23,739,790
Administrative expenses		(20,296,256)	(22,198,838)
Depreciation of tangible fixed assets		(1,817,590)	(2,839,491)
Operating profit/(loss)	6	1,326,266	(1,298,539)
Income/(loss) from participating interests		-	(849)
Profit/(loss) on disposal of investments		85,681	(849)
Interest receivable and similar income	10	10,042	22,191
Profit/(loss) before taxation		1,421,989	(1,278,046)
Tax on profit/(loss)	11	(40,995)	(5,493)
Profit/(loss) for the financial year		1,380,994	(1,283,539)
Unrealised surplus on revaluation of fixed asset investments		21,751	-
Currency translation differences		-	(14,266)
Other comprehensive income for the year		21,751	(14,266)
Total comprehensive income for the year		1,402,745	(1,297,805)
Profit/(loss) for the year attributable to:			
Owners of the parent Company		1,380,994	(1,283,539)
		1,380,994	(1,283,539)
Total comprehensive income for the year attributable to:			
Owners of the parent Company		1,402,745	(1,297,805)
		1,402,745	(1,297,805)

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07964746

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021


	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	10,601,931	8,705,845
Investments	13	321,993	575,241
		<u>10,923,924</u>	<u>9,281,086</u>
Current assets			
Debtors: amounts falling due after more than one year	14	415,714	288,045
Debtors: amounts falling due within one year	14	9,548,723	8,100,832
Cash at bank and in hand	15	2,647,853	3,809,907
		<u>12,612,290</u>	<u>12,198,784</u>
Creditors: amounts falling due within one year	16	(8,536,852)	(7,897,880)
Net current assets		<u>4,075,438</u>	<u>4,300,904</u>
Total assets less current liabilities		<u>14,999,362</u>	<u>13,581,990</u>
Creditors: amounts falling due after more than one year	17	(1,600,000)	(1,600,000)
Provisions for liabilities			
Deferred taxation	20	(20,120)	(5,493)
		<u>(20,120)</u>	<u>(5,493)</u>
		<u>13,379,242</u>	<u>11,976,497</u>
Net assets		<u>13,379,242</u>	<u>11,976,497</u>
Capital and reserves			
Revaluation reserve	21	321,999	300,248
Profit and loss account	21	13,057,243	11,676,249
Equity attributable to owners of the parent Company		<u>13,379,242</u>	<u>11,976,497</u>
		<u>13,379,242</u>	<u>11,976,497</u>

SATELLITE APPLICATIONS CATAPULT LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 07964746

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 July 2021.


Richard Tuffill
Chief Finance Officer

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07964746

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	10,601,931	8,705,845
Investments	13	330,842	292,114
		<u>10,932,773</u>	<u>8,997,959</u>
Current assets			
Debtors: amounts falling due after more than one year	14	29,064	-
Debtors: amounts falling due within one year	14	9,191,206	8,015,461
Cash at bank and in hand	15	2,594,259	3,809,152
		<u>11,814,529</u>	<u>11,824,613</u>
Creditors: amounts falling due within one year	16	(8,438,920)	(7,826,202)
Net current assets		<u>3,375,609</u>	<u>3,998,411</u>
Total assets less current liabilities		<u>14,308,382</u>	<u>12,996,370</u>
Creditors: amounts falling due after more than one year	17	(1,600,000)	(1,600,000)
Provisions for liabilities			
Deferred taxation	20	(20,120)	(5,493)
		<u>(20,120)</u>	<u>(5,493)</u>
		<u>12,688,262</u>	<u>11,390,877</u>
Net assets		<u>12,688,262</u>	<u>11,390,877</u>
Capital and reserves			
Revaluation reserve	21	321,999	283,585
Profit and loss account brought forward		11,107,292	12,658,135
Profit/(loss) for the year		1,258,971	(1,536,577)
Other changes in the profit and loss account		-	(14,266)
		<u>12,366,263</u>	<u>11,107,292</u>
Profit and loss account carried forward		<u>12,688,262</u>	<u>11,390,877</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07964746

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 July 2021.


Richard Tuffill
Chief Finance Officer

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	Revaluation reserve	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	300,248	11,676,249	11,976,497
Comprehensive income for the year			
Profit for the year	-	1,380,994	1,380,994
Surplus on revaluation of fixed asset investments	21,751	-	21,751
Other comprehensive income for the year	21,751	-	21,751
Total comprehensive income for the year	21,751	1,380,994	1,402,745
Total transactions with owners	-	-	-
At 31 March 2021	321,999	13,057,243	13,379,242

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	Revaluation reserve	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	300,248	12,974,054	13,274,302
Comprehensive income for the year			
Loss for the year	-	(1,283,539)	(1,283,539)
Currency translation differences	-	(14,266)	(14,266)
Other comprehensive income for the year	-	(14,266)	(14,266)
Total comprehensive income for the year	-	(1,297,805)	(1,297,805)
Total transactions with owners	-	-	-
At 31 March 2020	300,248	11,676,249	11,976,497

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	Revaluation reserve	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	283,585	11,107,292	11,390,877
Comprehensive income for the year			
Profit for the year	-	1,258,971	1,258,971
Surplus on revaluation of fixed asset investments	38,414	-	38,414
Other comprehensive income for the year	38,414	-	38,414
Total comprehensive income for the year	38,414	1,258,971	1,297,385
Total transactions with owners	-	-	-
At 31 March 2021	321,999	12,366,263	12,688,262

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	Revaluation reserve	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	283,585	12,658,135	12,941,720
Comprehensive income for the year			
Loss for the year	-	(1,536,577)	(1,536,577)
Currency translation differences	-	(14,266)	(14,266)
Other comprehensive income for the year	-	(14,266)	(14,266)
Total comprehensive income for the year	-	(1,550,843)	(1,550,843)
Total transactions with owners	-	-	-
At 31 March 2020	283,585	11,107,292	11,390,877

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

	2021 £	2020 £
Cash flows from operating activities		
Profit/(loss) for the financial year	1,380,994	(1,283,539)
Adjustments for:		
Depreciation of tangible assets	1,817,590	2,839,491
(Profit)/loss on disposal of tangible assets	(85,681)	-
Interest received	(10,042)	(22,191)
Taxation charge	40,995	5,493
(Increase)/decrease in debtors	(1,575,560)	4,293,299
Increase/(decrease) in creditors	100,934	(3,582,485)
Foreign exchange on fixed asset investments	-	(14,266)
Net cash generated from operating activities	1,669,230	2,235,802
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,202,008)	(3,965,386)
Sale of unlisted and other investments	360,682	-
Interest received	3,914	17,955
Associates interest received	6,128	4,236
Net cash from investing activities	(2,831,284)	(3,943,195)
Cash flows from financing activities		
Concessionary loans received	-	1,600,000
Net cash used in financing activities	-	1,600,000
Net (decrease) in cash and cash equivalents	(1,162,054)	(107,393)
Cash and cash equivalents at beginning of year	3,809,907	3,917,300
Cash and cash equivalents at the end of year	2,647,853	3,809,907
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,647,853	3,809,907
	2,647,853	3,809,907

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	3,809,907	(1,162,054)	2,647,853
Debt due after 1 year	(1,600,000)	-	(1,600,000)
	<u>2,209,907</u>	<u>(1,162,054)</u>	<u>1,047,853</u>

The notes on pages 26 to 49 form part of these financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

1. General information

Satellite Applications Catapult Limited is a private company limited by guarantee and was incorporated in February 2012 as a not for profit organisation. The registered head office is Electron Building, Fermi Avenue, Harwell Science and Innovation Campus, Didcot, Oxfordshire, OX11 0QR.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 24 February 2012.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Going concern

The Covid-19 pandemic has increased going concern risk. In response, the directors have undertaken an assessment of the Group's expected financial situation for at least twelve months from the date of approval of these financial statements. The assessment has considered available information about the future and the preparation and review of the financial forecasts, revenue expectations, and expenditure obligations. The directors have also considered sensitivity analysis against the key assumptions, which included a scenario with no collaborative or commercial income in the next twelve months.

A key element of the going concern assessment is that the Group is operating under a funding agreement with Innovate UK up to March 2023. This grant funding agreement is supplemented by an additional grant in-advance of need from Innovate UK together with external collaborative research and development projects and other commercial income streams.

Based on the assessment undertaken by the directors, and the sensitivities and scenarios considered, the Group is able to continue for a period of at least twelve months from the date of approval of these financial statements, and consequently the financial statements have been prepared on a going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

2.5 Revenue

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Grant income

Turnover recorded in the financial statements includes government grants received or receivable. The Group has elected to apply the performance model when accounting for government grants:

- Grants that do not impose specific future performance-related conditions are recognised in income when the grant proceeds are received or receivable;
- Grants that impose specified future performance-related conditions are recognised in income only when the performance-related conditions are met;
- Grants received before the revenue recognition criteria are satisfied are recognised as liabilities in the financial statements.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

Rendering of services

Turnover from the rendering of services is recognised on a straight-line basis by reference to the stage of completion of the contract subject to the achievement of significant project milestones. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

2.6 Operating leases: the Group as lessee

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

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

2.7 Interest income

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

2.8 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.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.9 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

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

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

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

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.10 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:

Freehold property	- 14 years
Leasehold expenses	- 5 years
Communications and infrastructure	- 3 - 15 years
Commercial vehicles	- 8 years
Fixtures and fittings	- 3 - 10 years
Office equipment	- 3 - 10 years

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.

Fixed assets relating to the In-Orbit Demonstration Programme contained within communications and infrastructure are not depreciated until they are launched in orbit. When launched they will be depreciated in full.

Assets under construction are not depreciated and are transferred to the relevant fixed asset category when they are brought into use. Leasehold land is not depreciated.

2.11 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.13 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.

2.14 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.

2.15 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.

2.16 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.17 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.

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Consolidated 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 Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

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

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Recoverability and valuation of the fixed asset investments

The group has invested in a number of spin out companies. The directors consider the recoverability and valuation of investments on a regular basis and it is their view that the valuations are appropriate and the amounts to be recoverable in the future.

4. Turnover

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

	2021 £	2020 £
Innovate UK Grant Funding	11,901,374	12,000,000
Collaborative and Commercial Income	11,538,738	11,739,790
	<u>23,440,112</u>	<u>23,739,790</u>

5. Normalised operating surplus

Due to the accounting treatment of grant income under FRS 102, the whole capital element of grant income is recognised in the year it is incurred. This results in operating profits during the periods of capital investment and operating losses when depreciation exceeds investment. The impact of actual levels of capital grant recognition and fixed asset depreciation is shown below.

The Group generates surpluses for reinvestment, the normalised operating surplus before depreciation is shown after any surpluses are reinvested.

	2021 £	2020 £
Operating profit/(loss)	1,326,266	(1,298,539)
Depreciation and fixed asset impairment	1,817,590	2,839,490
Operating profit/(loss) before depreciation	<u>3,143,856</u>	<u>1,540,951</u>
Capital grant element of turnover	(2,629,828)	(1,346,665)
Normalised operating surplus/(deficit) before depreciation	<u>514,028</u>	<u>194,286</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

6. Operating profit/(loss)

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

	2021 £	2020 £
Research & development charged as an expense	8,960,754	10,579,673
Foreign exchange differences	76,123	(4,311)
Other operating lease rentals	928,313	753,123
	<u>928,313</u>	<u>753,123</u>

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	28,000	39,000
	<u>28,000</u>	<u>39,000</u>

Fees payable to the Group's auditor and its associates in respect of:

Taxation compliance services	3,900	4,500
All other assurance services	28,100	-
	<u>32,000</u>	<u>4,500</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

8. Employees

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	8,149,890	8,862,702	8,149,890	8,801,521
Social security costs	896,548	984,874	896,548	983,466
Cost of defined contribution scheme	712,892	718,482	712,892	718,482
	<u>9,759,330</u>	<u>10,566,058</u>	<u>9,759,330</u>	<u>10,503,469</u>

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

	2021 No.	2020 No.
Administration & Support	57	46
Technology & Innovation	95	96
	<u>152</u>	<u>142</u>

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	670,629	690,487
Company contributions to defined contribution pension schemes	37,184	36,495
	<u>707,813</u>	<u>726,982</u>

During the year retirement benefits were accruing to 3 Directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £240,581 (2020 - £249,355).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £10,000 (2020 - £10,000).

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

10. Interest receivable

	2021 £	2020 £
Share of associates' interest receivable	6,128	4,236
Other interest receivable	3,914	17,955
	<u>10,042</u>	<u>22,191</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	26,368	-
	<u>26,368</u>	<u>-</u>
Total current tax	<u>26,368</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	14,627	5,493
Total deferred tax	<u>14,627</u>	<u>5,493</u>
Taxation on profit on ordinary activities	<u>40,995</u>	<u>5,493</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

11. Taxation (continued)

Factors affecting tax charge for the year

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

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	1,421,989	(1,278,046)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	270,178	(242,829)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	666	35,169
Depreciation on assets ineligible for tax relief	324,883	552,599
Capital grants and other income not taxable	(499,667)	(318,866)
Research and development claim	12,680	13,000
Deferred tax asset not recognised	14,627	(5,228)
RDEC set-off amount 2020	(82,372)	(27,737)
Adjust opening deferred tax to average rate of 19%	-	(615)
Total tax charge for the year	40,995	5,493

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

12. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Communication and infrastructure £	Commercial vehicles £	Fixtures and fittings £	Office equipment £	Assets under construction £	Total £
Cost or valuation								
At 1 April 2020	-	327,573	5,587,890	50,444	3,393,081	9,040,775	890,851	19,290,614
Additions	1,176,709	-	52,247	12,545	512,185	1,077,121	914,754	3,745,561
Disposals	-	-	(9,922)	-	(43,896)	(2,925,559)	-	(2,979,377)
Transfers between classes	811,769	-	-	-	-	-	(811,769)	-
At 31 March 2021	1,988,478	327,573	5,630,215	62,989	3,861,370	7,192,337	993,836	20,056,798
Depreciation								
At 1 April 2020	-	65,264	2,426,079	34,482	820,613	7,238,331	-	10,584,769
Charge for the year on owned assets	58,143	-	536,663	6,330	418,028	830,311	-	1,849,475
Disposals	-	-	(9,922)	-	(43,896)	(2,925,559)	-	(2,979,377)
At 31 March 2021	58,143	65,264	2,952,820	40,812	1,194,745	5,143,083	-	9,454,867

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

12. Tangible fixed assets (continued)

Net book value

At 31 March 2021	<u>1,930,335</u>	<u>262,309</u>	<u>2,677,395</u>	<u>22,177</u>	<u>2,666,625</u>	<u>2,049,254</u>	<u>993,836</u>	<u>10,601,931</u>
At 31 March 2020	<u>-</u>	<u>262,309</u>	<u>3,161,811</u>	<u>15,962</u>	<u>2,572,468</u>	<u>1,802,444</u>	<u>890,851</u>	<u>8,705,845</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

12. Tangible fixed assets (continued)

Company

	Freehold property £	Leasehold property £	Communication and infrastructure £	Commercial vehicles £	Fixtures and fittings £	Office equipment £	Assets under construction £	Total £
Cost or valuation								
At 1 April 2020	-	327,573	5,587,890	50,444	3,393,081	9,040,775	890,851	19,290,614
Additions	1,176,709	-	52,247	12,545	512,185	1,077,121	914,754	3,745,561
Disposals	-	-	(9,922)	-	(43,896)	(2,925,559)	-	(2,979,377)
Transfers between classes	811,769	-	-	-	-	-	(811,769)	-
At 31 March 2021	1,988,478	327,573	5,630,215	62,989	3,861,370	7,192,337	993,836	20,056,798
Depreciation								
At 1 April 2020	-	65,264	2,426,079	34,482	820,613	7,238,331	-	10,584,769
Charge for the year on owned assets	58,143	-	536,663	6,330	418,028	830,311	-	1,849,475
Disposals	-	-	(9,922)	-	(43,896)	(2,925,559)	-	(2,979,377)
At 31 March 2021	58,143	65,264	2,952,820	40,812	1,194,745	5,143,083	-	9,454,867

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

12. Tangible fixed assets (continued)

Net book value

At 31 March 2021	<u>1,930,335</u>	<u>262,309</u>	<u>2,677,395</u>	<u>22,177</u>	<u>2,666,625</u>	<u>2,049,254</u>	<u>993,836</u>	<u>10,601,931</u>
At 31 March 2020	<u>-</u>	<u>262,309</u>	<u>3,161,811</u>	<u>15,962</u>	<u>2,572,468</u>	<u>1,802,444</u>	<u>890,851</u>	<u>8,705,845</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

13. Fixed asset investments

Group

	Investments £
Cost or valuation	
At 1 April 2020	575,241
Additions	1
Disposals	(275,000)
Revaluations	21,751
At 31 March 2021	<u>321,993</u>

Company

	Investments £
Cost or valuation	
At 1 April 2020	292,114
Additions	1
Disposals	(7)
Foreign exchange movement	320
Revaluations	38,414
At 31 March 2021	<u>330,842</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Satellite Applications Catapult SpA	El Bosque Central 92 P-6, Las Condes, Region Metropolitana, Chile	Commercial	Ordinary	100%
Satellite Applications Catapult Services Limited	Electron Building Fermi Avenue, Harwell, Didcot, United Kingdom, OX11 0QR	Commercial	Ordinary	100%
International Space Innovation Centre Limited	Electron Building Fermi Avenue, Harwell, Didcot, United Kingdom, OX11 0QR	Dormant	Ordinary	100%
EASOS Limited	Electron Building Fermi Avenue, Harwell, Didcot, United Kingdom, OX11 0QR	Dormant	Ordinary	100%
Satellite Applications Catapult Inc	1675 S State St Ste B, Dover, De 19001, USA	Dormant	Ordinary	100%
ForestMind	Electron Building Fermi Avenue, Harwell, Didcot, United Kingdom, OX11 0QR	Dormant	Ordinary	100%

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

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Satellite Applications Catapult SpA	(151,170)	16,361
Satellite Applications Catapult Services Limited	638,159	101,492
International Space Innovation Centre Limited	1	-
EASOS Limited	1	-
Satellite Applications Catapult Inc	1	-
ForestMind	1	-

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

14. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Other debtors	415,714	288,045	29,064	-
	<u>415,714</u>	<u>288,045</u>	<u>29,064</u>	<u>-</u>
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	3,979,242	2,652,480	3,979,242	2,652,480
Amounts owed by group undertakings	-	-	-	319,043
Other debtors	401,329	59,010	230,283	1,527
Prepayments and accrued income	4,540,386	4,714,379	4,353,915	4,367,448
Tax recoverable	627,766	674,963	627,766	674,963
	<u>9,548,723</u>	<u>8,100,832</u>	<u>9,191,206</u>	<u>8,015,461</u>

15. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	2,647,853	3,809,907	2,594,259	3,809,152
	<u>2,647,853</u>	<u>3,809,907</u>	<u>2,594,259</u>	<u>3,809,152</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	4,102,269	2,556,549	4,101,883	2,556,549
Amounts owed to group undertakings	-	-	32,443	-
Corporation tax	26,368	-	-	-
Other taxation and social security	243,992	283,833	243,992	283,833
Other creditors	2,260,000	2,260,000	2,260,000	2,260,000
Accruals and deferred income	1,904,223	2,797,498	1,800,602	2,725,820
	<u>8,536,852</u>	<u>7,897,880</u>	<u>8,438,920</u>	<u>7,826,202</u>

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Concessionary loans	1,600,000	1,600,000	1,600,000	1,600,000
	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>

The concessionary loan has been treated in accordance with Section 34 of FRS 102. The loan is initially measured at the amount received then subsequently adjusted to reflect any accrued interest payable.

The concessionary loan bears an interest rate of 1.36%. Interest becomes due from the completion of the Westcott Innovation Centre development, and is based upon the revenue generated from the facility. Repayment of the outstanding capital and interest is due in two installments, the first being £350,000 on the third anniversary of the agreement and the balance due 5 years later. Security has been provided for the loan by a fixed charge over the Westcott Innovation Centre.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

18. Loans

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due 2 - 5 years				
Concessionary loans	1,600,000	1,600,000	1,600,000	1,600,000
	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>

19. Financial instruments

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Financial assets				
Financial assets measured at amortised cost	8,326,290	9,241,199	7,732,646	8,867,028
	<u>8,326,290</u>	<u>9,241,199</u>	<u>7,732,646</u>	<u>8,867,028</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income, amounts owed by group and associated undertakings and other debtors.

20. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	(5,493)	(5,493)
Charged to profit or loss	(14,627)	-
At end of year	<u>(20,120)</u>	<u>(5,493)</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

20. Deferred taxation (continued)

Company

	2021 £	2020 £
At beginning of year	(5,493)	(5,493)
Charged to profit or loss	(14,627)	-
At end of year	(20,120)	(5,493)

The provision for deferred taxation is made up as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(20,120)	(5,493)	(20,120)	(5,493)
	(20,120)	(5,493)	(20,120)	(5,493)

21. Reserves

Revaluation reserve

Includes gains/losses arising on the revaluation of the Company's investments. This reserve is not a distributable reserve.

Profit and loss account

Includes all current and prior period retained profits and losses.

22. 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.

23. 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 costs charge represents contributions payable by the Group to the fund and amounted to £712,892 (2020 - £718,482). Contributions totalling £nil (2020 - £nil) were payable to the fund at the balance sheet date.

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

24. Commitments under operating leases

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	370,775	301,449	370,775	301,449
Later than 1 year and not later than 5 years	1,114,534	913,566	1,114,534	913,566
Later than 5 years	570,715	710,296	570,715	710,296
	<u>2,056,024</u>	<u>1,925,311</u>	<u>2,056,024</u>	<u>1,925,311</u>

SATELLITE APPLICATIONS CATAPULT LIMITED
(A company limited by guarantee)

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

25. Related party transactions

The company is exempt from disclosing related party transactions with other wholly owned companies within the Satellite Applications Catapult Limited group.

The following transactions took place between the Group and its associated companies during the year:

	2021 £	2020 £
Group		
Sales to associated companies	42,986	150,786
Purchases from associated companies	63,756	576,491
Interest charged to associated companies	6,128	4,236

	2021 £	2020 £
Company		
Purchases from associated companies	63,756	576,491

The following balances were due from/(to) associated companies at the year end:

	2021 £	2020 £
Group		
Trade debtor from associated companies	1,045	-
Loans due from associated parties	291,521	288,045

	2021 £	2020 £
Company		
Trade debtor from associated companies	1,045	-

	2021 £	2020 £
Group and Company		
Key management personnel compensation	1,294,129	1,473,165