

DIGITAL CATAPULT SERVICES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

DIGITAL CATAPULT SERVICES LIMITED
REGISTERED NUMBER: 08564481

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	5	150,000	150,000
		<u>150,000</u>	<u>150,000</u>
Current assets			
Debtors: amounts falling due within one year	6	2,496,095	2,258,551
Cash at bank and in hand	7	1,917,580	1,097,488
		<u>4,413,675</u>	<u>3,356,039</u>
Creditors: amounts falling due within one year	8	(4,100,358)	(3,187,863)
Net current assets		<u>313,317</u>	<u>168,176</u>
Total assets less current liabilities		<u>463,317</u>	<u>318,176</u>
Net assets		<u><u>463,317</u></u>	<u><u>318,176</u></u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	463,316	318,175
		<u><u>463,317</u></u>	<u><u>318,176</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

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

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

J Silver

Director

Date: 14 October 2020

The notes on pages 3 to 7 form part of these financial statements.

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

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2018	1	210,686	210,687
Comprehensive income for the year			
Profit for the year	-	107,489	107,489
	<hr/>	<hr/>	<hr/>
At 1 April 2019	1	318,175	318,176
Comprehensive income for the year			
Profit for the year	-	145,141	145,141
	<hr/>	<hr/>	<hr/>
At 31 March 2020	1	463,316	463,317

DIGITAL CATAPULT SERVICES LIMITED

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

1. General information

Digital Catapult Services Limited is a private company limited by shares and incorporated in England and Wales. The Company's principal activities are to carry out commercial contracts for the parent company, Digital Catapult.

The registered and trading address of the Company 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 management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Digital Catapult as at 31 March 2020 and these financial statements may be obtained from 101 Euston Road, London, NW1 2RA.

2.3 Going concern

The Company is dependent upon its parent company Digital Catapult for operational support. Funding for the next 5 year term for the company, Digital Catapult from 2018/19 onwards was confirmed in November 2018.

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.

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

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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.

2.8 Cash and cash equivalents

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

2.9 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.

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

2. Accounting policies (continued)

2.10 Financial instruments

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

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

3. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>5,150</u>	<u>4,995</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019: £NIL). Directors' fees are borne by the parent company. A proportion of their salaries are cross charged to Digital Catapult Services Limited as part of the overhead re-charge within the pricing of the commercial products and the management fee markup and amounts to £106,000 (2019: £74,000).

5. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 April 2019	150,000
At 31 March 2020	<u>150,000</u>

6. Debtors

	2020 £	2019 £
Trade debtors	329,060	880,907
Amounts owed by group undertakings	1,541,308	943,247

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

6. Debtors (continued)

Other debtors	164,963	155,000
Prepayments and accrued income	460,764	279,399
	<u>2,496,095</u>	<u>2,258,553</u>

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

Other debtors relates to convertible loan notes of £155,000 which have no fixed conversion date. These may convert at a future date.

7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>1,917,580</u>	<u>1,097,488</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	2,992,103	2,208,557
Corporation tax	34,045	25,214
Other taxation and social security	-	147,963
Other creditors	420,000	-
Accruals and deferred income	654,210	806,129
	<u>4,100,358</u>	<u>3,187,863</u>

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

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

10. Reserves

Profit and loss account

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

DIGITAL CATAPULT SERVICES LIMITED

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

11. Controlling party

The Company is controlled by Digital Catapult by way of its 100% shareholding.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2020 was unqualified.

The audit report was signed on 19 October 2020 by Sue Staunton MA FCA (Senior statutory auditor) on behalf of James Cowper Kreston.

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.