

Numerical Algorithms Group Limited

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements
for the Year Ended 31 March 2022

Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles'
Oxford
OX1 3LE

Numerical Algorithms Group Limited

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Numerical Algorithms Group Limited

Company Information

Directors	Prof C Bischof Mr J B Elmer Ms K A Robb Mr A Tate Prof S J Todd Mr D J W Ulmer Prof S M Watt
Company secretary	Mr J C Higgs
Registered office	30 St Giles' Oxford OX1 3LE
Auditors	Wenn Townsend Chartered Accountants and Statutory Auditor 30 St Giles' Oxford OX1 3LE

Numerical Algorithms Group Limited

Strategic Report for the Year Ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Our business and principal activities

NAG provides industry-leading numerical software and technical services to banking and finance, energy, engineering and market research, as well as academic and government institutions. World renowned for the NAG® Library - the most rigorous and robust collection of numerical algorithms available - NAG also offers Automatic Differentiation, Machine Learning, and Mathematical Optimization products, as well as world-class technical consultancy across HPC and Cloud HPC, code porting and optimization, and other areas of numerical computing. Founded more than 50 years ago from a multi-university venture, NAG is headquartered in Oxford, UK with offices in the UK, US, EU and Asia.

NAG continues to invest in the future while looking to sustain the current product and service offerings. After investments into product management and market-looking capability, NAG is engaged in a number of innovation activities exploiting the primal role played by mathematics, HPC and Optimization inside business applications. NAG continues to see products and services as hand-in-hand offerings that support one another and will continue to provide highly technical products and services as a result.

Fair review of the business

We have performed satisfactorily from an operational perspective with a varied mix of service, consultancy and product-based business with strong recurrent licencing and support income, although the reported result has been impacted by some Exceptional Items, identified below. COVID-19 and the war in Ukraine has had an impact, particularly on new product business but we are seeing further opportunities emerge particularly in the Cloud services space.

The more significant Exceptional Item relates to a one-off service carried out on behalf of a client that gave rise to a one-off pre-tax profit of approximately £10.309m.

The second Exceptional Item has arisen as a result of our membership of the Universities Superannuation Scheme (USS). There has been a material increase in pension provisions necessary under FRS102 as the 2020 valuation of the USS scheme has projected an increased funding deficit, primarily due to a material increase in the funding gap between assets under management and calculated provisions required under the scheme. In order to reflect our share of this funding deficit we have increased our provision by £1.067m to £2.494m (2021 £1.427m). This has had a material impact on the result for the year. Further details of the provision can be found in Note 20 Pension and other schemes on pages 32 to 33.

The Group's key financial and other performance indicators during the year were as follows:

	Unit	2022	2021
Surplus for the financial year	£	8,397,884	223,060
Cash reserves	£	9,643,834	7,646,579
Net assets	£	13,557,960	5,126,891

We ended the year with a surplus of £8,397,884 compared to a surplus of £223,060 in 2020-21. The surplus before exceptional items would have been £331,920 (2021 £342,525).

Numerical Algorithms Group Limited

Strategic Report for the Year Ended 31 March 2022

Business and product strategy

A combination of complimentary products across various target sectors is important to NAG's sustainable business plans. We continue to invest in the traditional product line including the NAG Library. Product Managers and Market Teams are assessing opportunities for product enhancement or new product developments, respectively. NAG's technical services remain attractive. We are seeing significant uptake for our Cloud HPC migration services which apply traditional HPC expertise to clients moving their HPC to the Cloud. We have strong relationships with all the Cloud Service Providers, through which these services are developed.

Principal risks and uncertainties

There will always be risks to NAG's continued growth and development. Those that are most prominent presently include:

- COVID-19 related economic impacts and the war in Ukraine have created increased uncertainty around budgets in most sectors. This has impacted sales of both products and services.
- Customer risk. We have several large customers whose loss would severely impact our business.
- Increased provision requirements to the Universities Superannuation Scheme could severely impact our Balance Sheet strength.
- Increased services business comes with a degree of volatility. Over or under provision of capacity both present risk.

Approved by the Board on 14 July 2022 and signed on its behalf by:

.....
Mr A Tate

Numerical Algorithms Group Limited

Directors' Report for the Year Ended 31 March 2022

The Directors present their report and the consolidated financial statements for the year ended 31 March 2022.

Directors of the Group

The Directors who held office during the year were as follows:

Prof C Bischof

Mr J B Elmer

Dr C Lucas (resigned 13 April 2022)

Ms K A Robb

Mr A Tate

Prof S J Todd

Mr D J W Ulmer

Prof S M Watt

Dividend policy

The distribution of dividends is prohibited by our constitution. We hold a prudent level of reserves and re-invest profits to further the advancement of mathematics by developing new solutions and providing funding for innovations through our support of academia.

Employment

NAG's success depends on our ability to attract and retain world-class experts and continuing to build on our status as an employer-of-choice. We continuously try to improve the way we work to ensure that staff feel valued and perform to the best of their ability.

Quality and environment

NAG has maintained its strong commitment to quality and to the environment through its certification under ISO 9001 and 14001.

We continually strive to improve the way we work, which in turn improves the quality of what we produce and review our use of fossil fuels, water and the waste we send to landfill to minimise any negative impact on our environment.

Governance

NAG's Board of Directors usually includes a Staff Representative Director as well as a mixture of co-opted and elected non-executive Directors evidencing our wish to meet and exceed best practice in all areas of our work.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 14 July 2022 and signed on its behalf by:

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Numerical Algorithms Group Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the Company and of the surplus or deficit of the Group and of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Numerical Algorithms Group Limited

Independent Auditor's Report to the Members of Numerical Algorithms Group Limited

Opinion

We have audited the financial statements of Numerical Algorithms Group Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Consolidated Income and Expenditure Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 March 2022 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 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's 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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Numerical Algorithms Group Limited

Independent Auditor's Report to the Members of Numerical Algorithms Group Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 Strategic Report and the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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.

Numerical Algorithms Group Limited

Independent Auditor's Report to the Members of Numerical Algorithms Group Limited

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud are detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Numerical Algorithms Group Limited

Independent Auditor's Report to the Members of Numerical Algorithms Group Limited

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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.

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Ajay Bahl FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend, Statutory Auditor
30 St Giles'
Oxford
OX1 3LE

14 July 2022

Numerical Algorithms Group Limited

Consolidated Income and Expenditure Account for the Year Ended 31 March 2022

	Note	2022 Excluding exceptional items £	2022 Exceptional items £	2022 Total £	2021 Total £
Turnover	<u>3</u>	8,735,876	11,414,676	20,150,552	9,136,724
Cost of sales		<u>(5,298,626)</u>	<u>(406,777)</u>	<u>(5,705,403)</u>	<u>(6,244,134)</u>
Gross surplus		3,437,250	11,007,899	14,445,149	2,892,590
Distribution costs		(1,819,341)	-	(1,819,341)	(1,270,150)
Administrative expenses		(1,473,943)	(699,145)	(2,173,088)	(1,897,631)
Other operating income	<u>4</u>	<u>77,240</u>	-	<u>77,240</u>	<u>343,557</u>
Operating surplus	<u>5</u>	<u>221,206</u>	<u>10,308,754</u>	<u>10,529,960</u>	<u>68,366</u>
Other interest receivable and similar income	<u>6</u>	<u>567</u>	-	<u>567</u>	<u>8,045</u>
Exceptional item - movement on pension provision	<u>11</u>	<u>-</u>	<u>(1,067,265)</u>	<u>(1,067,265)</u>	<u>(119,465)</u>
Interest payable and similar charges	<u>7</u>	<u>85,779</u>	-	<u>85,779</u>	<u>(172,248)</u>
		86,346	(1,067,265)	(980,919)	(283,668)
Share of surplus of equity accounted investees		<u>72,742</u>	-	<u>72,742</u>	<u>60,309</u>
Surplus/(deficit) before tax		380,294	9,241,489	9,621,783	(154,993)
Taxation	<u>12</u>	<u>(48,374)</u>	<u>(1,175,525)</u>	<u>(1,223,899)</u>	<u>378,053</u>
Surplus for the financial year		<u>331,920</u>	<u>8,065,964</u>	<u>8,397,884</u>	<u>223,060</u>
Surplus/(deficit) attributable to:					
Members		<u>331,920</u>	<u>8,065,964</u>	<u>8,397,884</u>	<u>223,060</u>

Numerical Algorithms Group Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Surplus for the year		8,397,884	223,060
Foreign currency translation gains/(losses) on consolidation		33,185	(62,348)
Share of associates and joint ventures other comprehensive income		-	238
		33,185	(62,110)
Total comprehensive income for the year		8,431,069	160,950
Total comprehensive income attributable to:			
Members		8,431,069	160,950

Numerical Algorithms Group Limited
(Registration number: 01249803)
Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>13</u>	64,268	70,109
Investments	<u>14</u>	632,833	595,647
Other financial assets	<u>15</u>	1	1
		<u>697,102</u>	<u>665,757</u>
Current assets			
Stocks	<u>16</u>	2,206	2,169
Debtors	<u>17</u>	14,251,771	2,484,427
Cash at bank and in hand		6,943,834	7,646,579
		<u>21,197,811</u>	<u>10,133,175</u>
Creditors: Amounts falling due within one year	<u>19</u>	<u>(5,514,955)</u>	<u>(3,766,037)</u>
Net current assets		<u>15,682,856</u>	<u>6,367,138</u>
Total assets less current liabilities		16,379,958	7,032,895
Creditors: Amounts falling due after more than one year	<u>19</u>	<u>(328,200)</u>	<u>(479,471)</u>
Provisions for liabilities		<u>(2,493,798)</u>	<u>(1,426,533)</u>
Net assets		<u>13,557,960</u>	<u>5,126,891</u>
Reserves			
Other reserves		100,000	100,000
Retained earnings		<u>13,457,960</u>	<u>5,026,891</u>
Attributable to owners of the company		<u>13,557,960</u>	<u>5,126,891</u>
Surplus		<u>13,557,960</u>	<u>5,126,891</u>

Approved and authorised by the Board on 14 July 2022 and signed on its behalf by:

.....
Mr A Tate
Director

Numerical Algorithms Group Limited

(Registration number: 01249803)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>13</u>	54,741	53,323
Investments	<u>14</u>	162,775	162,775
		<u>217,516</u>	<u>216,098</u>
Current assets			
Debtors	<u>17</u>	13,446,783	1,537,523
Cash at bank and in hand	<u>18</u>	6,042,151	6,866,025
		19,488,934	8,403,548
Creditors: Amounts falling due within one year	<u>19</u>	<u>(4,242,087)</u>	<u>(2,758,397)</u>
Net current assets		<u>15,246,847</u>	<u>5,645,151</u>
Total assets less current liabilities		15,464,363	5,861,249
Creditors: Amounts falling due after more than one year	<u>19</u>	(220,649)	(261,376)
Provisions for liabilities		<u>(2,493,798)</u>	<u>(1,426,533)</u>
Net assets		<u>12,749,916</u>	<u>4,173,340</u>
Capital and reserves			
Capital fund		100,000	100,000
Income and expenditure account		12,649,916	4,073,340
Members' funds		<u>12,749,916</u>	<u>4,173,340</u>

The Company made a profit after tax for the financial year of £8,576,576 (2021 - loss of £193,602).

Approved and authorised by the Board on 14 July 2022 and signed on its behalf by:

.....
Mr A Tate
Director

Numerical Algorithms Group Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2022 Equity attributable to the Parent Company

	Capital fund £	Income and expenditure account £	Total £
At 1 April 2021	100,000	5,026,891	5,126,891
Surplus for the year	-	8,397,884	8,397,884
Other comprehensive income	-	33,185	33,185
Total comprehensive income	-	8,431,069	8,431,069
At 31 March 2022	100,000	13,457,960	13,557,960

	Capital fund £	Income and expenditure account £	Total £
At 1 April 2020	100,000	4,865,941	4,965,941
Surplus for the year	-	223,060	223,060
Other comprehensive income	-	(62,110)	(62,110)
Total comprehensive income	-	160,950	160,950
At 31 March 2021	100,000	5,026,891	5,126,891

Numerical Algorithms Group Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Capital fund	Income and expenditure account	Total
	£	£	£
At 1 April 2021	100,000	4,073,340	4,173,340
Surplus for the year	-	8,576,576	8,576,576
	-	8,576,576	8,576,576
Total comprehensive income	-	8,576,576	8,576,576
At 31 March 2022	100,000	12,649,916	12,749,916

	Capital fund	Income and expenditure account	Total
	£	£	£
At 1 April 2020	100,000	4,266,942	4,366,942
Deficit for the year	-	(193,602)	(193,602)
	-	(193,602)	(193,602)
Total comprehensive income	-	(193,602)	(193,602)
At 31 March 2021	100,000	4,073,340	4,173,340

Numerical Algorithms Group Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Surplus for the year		8,397,884	223,060
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	35,029	50,537
(Surplus)/deficit on disposal of tangible assets		(158)	7,412
Finance income	<u>6</u>	(567)	(8,045)
Foreign exchange (gains) / losses	<u>7</u>	(85,779)	172,248
Share of profit of equity accounted investees		(72,742)	(60,309)
Income tax expense	<u>12</u>	1,223,899	(378,053)
		9,497,566	6,850
Working capital adjustments			
(Increase)/decrease in stocks	<u>16</u>	(37)	599
(Increase)/decrease in trade debtors	<u>17</u>	(11,783,709)	336,764
(Decrease)/increase in trade creditors	<u>19</u>	(46,636)	272,917
Increase in retirement benefit obligation	<u>20</u>	1,067,265	119,465
Increase/(decrease) in accruals and deferred income		1,060,477	(520,038)
		(205,074)	216,557
Cash generated from operations		(205,074)	216,557
Income taxes (paid)/received		(631,502)	386,883
		(836,576)	603,440
Net cash flow from operating activities		(836,576)	603,440
Cash flows from investing activities			
Interest received	<u>6</u>	567	8,045
Acquisitions of tangible assets	<u>13</u>	(29,069)	(18,539)
Proceeds from sale of tangible assets		374	-
Dividend income	<u>14</u>	43,330	38,780
		15,202	28,286
Net cash flows from investing activities		15,202	28,286
Net (decrease)/increase in cash and cash equivalents		(821,374)	631,726
Cash and cash equivalents at 1 April		7,646,579	7,246,935
Effect of exchange rate fluctuations on cash held		118,629	(232,082)
		6,943,834	7,646,579
Cash and cash equivalents at 31 March		6,943,834	7,646,579

Numerical Algorithms Group Limited

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Surplus/(deficit) for the year		8,576,576	(193,602)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	27,435	42,686
(Surplus)/deficit on disposal of tangible assets		(158)	7,412
Finance income		(423)	(7,650)
Foreign exchange (gains) / losses		(91,105)	170,179
Income tax expense	<u>12</u>	<u>1,076,423</u>	<u>(500,655)</u>
		9,588,748	(481,630)
Working capital adjustments			
(Increase)/decrease in trade debtors	<u>17</u>	(12,238,146)	1,151,480
Increase/(decrease) in trade creditors	<u>19</u>	160,897	(189,893)
Increase in retirement benefit obligation	<u>20</u>	1,067,265	119,465
Increase/(decrease) in accruals and deferred income		<u>907,868</u>	<u>(192,488)</u>
Cash generated from operations		(513,368)	406,934
Income taxes (paid)/received		<u>(373,339)</u>	<u>373,339</u>
Net cash flow from operating activities		<u>(886,707)</u>	<u>780,273</u>
Cash flows from investing activities			
Interest received		423	7,650
Acquisitions of tangible assets	<u>13</u>	(29,069)	(18,539)
Proceeds from sale of tangible assets		374	-
Net cash flows from investing activities		<u>(28,272)</u>	<u>(10,889)</u>
Net (decrease)/increase in cash and cash equivalents		(914,979)	769,384
Cash and cash equivalents at 1 April		6,866,025	6,266,820
Effect of exchange rate fluctuations on cash held		<u>91,105</u>	<u>(170,179)</u>
Cash and cash equivalents at 31 March		<u><u>6,042,151</u></u>	<u><u>6,866,025</u></u>

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

The Company is a company limited by guarantee incorporated in United Kingdom.

The address of its registered office is:

30 St Giles'
Oxford
OX1 3LE

These financial statements were authorised for issue by the Board on 14 July 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the Group's activities.

Contract revenue is recognised on the following basis. Revenue represents the value of work done in the period at the agreed rate, comprising the consideration received or receivable for services provided. To the extent that this value is in excess of the amount invoiced, this is recognised as accrued income.

Licence fee income is recognised as income in the year in which the licence is issued unless the licence is for two years or more in which case it is recognised straight line over the period to which it relates. The maintenance element of licences is recognised over the term of the maintenance agreement.

Grants are credited to the income and expenditure account as related expenditure is incurred.

Rental income receivable under operating leases is recognised in the income statement on a straight line basis over the term of the lease. Income relating to future periods is carried forward as deferred income.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March 2022.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the Group income and expenditure account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the Group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No income and expenditure account is presented for the Company as permitted by Section 408 of the Companies Act 2006. Its surplus for the financial year was £8,576,576 (2021: deficit £193,602).

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Entities, other than subsidiary undertakings or joint ventures, in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence are treated as associates. In the Group financial statements, associates are accounted for using the equity method.

Judgements

FRS 102 makes the distinction between a Group Pension Plan and a Multi-Employer Pension Plan. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A Multi-Employer Plan is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a Multi-Employer Pension Plan where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The Directors are satisfied that the scheme provided by USS meets the definition of a Multi-Employer Pension Plan and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Key sources of estimation uncertainty

The Directors are required to make assumptions on future staffing levels when calculating the USS pension scheme liability. These are included as best estimates at the date of calculation, but present a significant risk in potentially causing a material adjustment to the balance sheet. The carrying amount is £2,493,798 (2021: £1,426,533).

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date.

All exchange differences are included in the income and expenditure account except those arising on consolidation.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss.

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 Group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Asset class	Expected useful life
Plant and machinery	5 years
Fixtures and fittings	Over length of lease
Computer equipment	3 - 5 years

Investments

Investments in subsidiary undertakings are valued at cost less provision for impairment.

Investments in associated undertakings are stated at the amount of the Company's share of net assets. The income and expenditure account includes the Company's share of the associated Company's profits after taxation using the equity accounting basis.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price.

Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Assets held for use in operating leases are included as a separate category in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Defined contribution pension obligation

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

A defined contribution scheme is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Multi-Employer Pension Plan

The Company participates in the Universities Superannuation Scheme ("USS") on behalf of its staff. The scheme is a contributory defined benefit scheme (i.e. it provides benefits based on length of service and pensionable salary). The assets of USS are held in separate trustee-administered funds. USS is a multi-employer scheme and the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the Company accounts for the scheme as if it were a defined contribution scheme with a separate adjustment in respect of the net present value of agreed deficit funding contributions. USS have put in place an agreement for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102, the Company has therefore recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

3 Revenue

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2022	2021
	£	£
Sale of goods and services	<u>20,150,552</u>	<u>9,136,724</u>

The analysis of the Group's turnover for the year by market is as follows:

	2022	2021
	£	£
Sales, UK	14,081,335	2,465,632
Sales, United States of America and Canada	4,318,865	4,898,117
Sales, Japan	424,302	433,340
Sales, Europe and Rest of World	<u>1,326,050</u>	<u>1,339,635</u>
	<u>20,150,552</u>	<u>9,136,724</u>

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

4 Other operating income

The analysis of the Group's other operating income for the year is as follows:

	2022	2021
	£	£
Rental income	-	248,471
Other operating income	77,240	95,086
	<u>77,240</u>	<u>343,557</u>

5 Operating surplus

Arrived at after charging/(crediting):

	2022	2021
	£	£
Depreciation expense	35,029	50,537
Research and development cost	1,650,793	1,890,037
(Profit)/loss on disposal of property, plant and equipment	(158)	7,412
	<u>(158)</u>	<u>7,412</u>

6 Other interest receivable and similar income

	2022	2021
	£	£
Interest received	567	8,045
	<u>567</u>	<u>8,045</u>

7 Interest payable and similar expenses

	2022	2021
	£	£
Foreign exchange losses / (gains)	(85,779)	172,248
	<u>(85,779)</u>	<u>172,248</u>

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

8 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	6,029,831	5,332,113
Social security costs	592,473	491,557
Pension costs, defined contribution scheme	69,906	78,433
Pension costs, defined benefit scheme	598,553	570,523
	<u>7,290,763</u>	<u>6,472,626</u>

The average number of persons employed by the Group (including Directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Administration and support	11	11
Research and development	44	48
Distribution	15	11
	<u>70</u>	<u>70</u>

9 Directors' remuneration

The Directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	509,966	471,139
Company contributions paid to defined benefit schemes	55,497	69,049
	<u>565,463</u>	<u>540,188</u>

During the year the number of Directors who were receiving pensions benefits was as follows:

	2022	2021
	No.	No.
Accruing benefits under defined benefit pension scheme	<u>2</u>	<u>3</u>

In respect of the highest paid Director:

	2022	2021
	£	£
Remuneration	418,688	234,355
Company contributions to defined benefit pension schemes	<u>39,437</u>	<u>38,816</u>

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

10 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	<u>18,250</u>	<u>17,350</u>
Other fees to auditors		
Taxation compliance services	3,725	310
All other non-audit services	<u>2,183</u>	<u>3,893</u>
	<u>5,908</u>	<u>4,203</u>

11 Exceptional items

One-off service

During the year, the Group carried out a one-off service on behalf of a client that gave rise to non-recurring revenue of £11,414,676 and expenditure of £1,105,921.

Due to the size of the transaction and its non-recurring nature, the Directors have considered it necessary to separately disclose this transaction as an exceptional item.

Movement in pension provision

The March 2020 revaluation of the USS Pension Scheme resulted in a revised deficit recovery plan. This resulted in a material increase to the Company's pension provision for the year ended 31 March 2022 as further detailed in Note 20.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

12 Taxation

Tax charged/(credited) in the income statement

	2022	2021
	£	£
Current taxation		
UK corporation tax	374,198	(482,443)
UK corporation tax adjustment to prior periods	855,782	-
Foreign tax	155,250	160,803
	1,385,230	(321,640)
Share of associate's current tax	(7,774)	(38,201)
	1,377,456	(359,841)
Deferred taxation		
Arising from origination and reversal of timing differences	(153,557)	(18,212)
	1,223,899	(378,053)
Tax expense/(receipt) in the income statement	1,223,899	(378,053)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are reconciled below:

	2022	2021
	£	£
Surplus/(deficit) before tax	9,621,783	(154,993)
Corporation tax at standard rate	1,828,139	(29,449)
Decrease from effect of joint-ventures and associates results reported net of tax	(7,774)	(38,201)
Effect of revenues exempt from taxation	(13,821)	(11,459)
Effect of expense not deductible in determining taxable profit (tax loss)	5,381	866
Effect of foreign tax rates	57,975	24,056
Decrease from tax losses for which no deferred tax asset was recognised	(1,140,631)	(16,090)
Increase in UK and foreign current tax from adjustment for prior periods	855,782	-
Tax increase from effect of capital allowances and depreciation	-	3,687
Tax decrease from other short-term timing differences	(407,746)	(466,839)
Tax increase from effect of adjustment in research and development tax credit	46,594	155,376
	1,223,899	(378,053)
Total tax charge/(credit)	1,223,899	(378,053)

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Deferred tax

Group and Company

Deferred tax assets and liabilities

	Asset £	Liability £
2022		
Accelerated capital allowances	-	2,915
Defined benefit pension provision	361,601	-
	361,601	2,915
	361,601	2,915
2021		
Accelerated capital allowances	-	1,718
Defined benefit pension provision	206,847	-
	206,847	-
	206,847	1,718

13 Tangible assets

Group

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2021	18,978	22,602	139,925	181,505
Additions	-	-	29,069	29,069
Disposals	-	-	(1,119)	(1,119)
Foreign exchange movements	-	1,113	484	1,597
	18,978	23,715	168,359	211,052
Depreciation				
At 1 April 2021	4,906	13,813	92,677	111,396
Charge for the year	1,899	5,075	28,055	35,029
Eliminated on disposal	-	-	(903)	(903)
Foreign exchange movements	-	876	386	1,262
	6,805	19,764	120,215	146,784
Carrying amount				
At 31 March 2022	12,173	3,951	48,144	64,268
At 31 March 2021	14,072	8,789	47,248	70,109

Included within the net book value of land and buildings above is £12,173 (2021 - £14,072) in respect of short leasehold land and buildings.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Company

	Land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2021	18,978	126,045	145,023
Additions	-	29,069	29,069
Disposals	-	(1,119)	(1,119)
	18,978	153,995	172,973
At 31 March 2022	18,978	153,995	172,973
Depreciation			
At 1 April 2021	4,906	86,794	91,700
Charge for the year	1,899	25,536	27,435
Eliminated on disposal	-	(903)	(903)
	6,805	111,427	118,232
At 31 March 2022	6,805	111,427	118,232
Carrying amount			
At 31 March 2022	12,173	42,568	54,741
At 31 March 2021	14,072	39,251	53,323

Included within the net book value of land and buildings above is £12,173 (2021 - £14,072) in respect of short leasehold land and buildings.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

14 Investments

Group

Details of undertakings

Details of the investments in which the Group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiaries				
Numerical Algorithms Group Inc	USA	Ordinary	100%	100%
Nihon Numerical Algorithms Group KK	Japan	Ordinary	100%	100%
Associate				
VSN International Limited	UK	Ordinary	24%	24%

Subsidiary undertakings

The principal activity of Numerical Algorithms Group Inc is computer software and services.

The principal activity of Nihon Numerical Algorithms Group KK is computer software and services.

Investment in associates

	2022	2021
	£	£
At 1st April	595,647	535,679
Share of profit/(loss)	80,516	98,748
Dividends received	(43,330)	(38,780)
At 31st March	632,833	595,647

Associate

The principal activity of VSN International Limited is software and services.

Company

	2022	2021
	£	£
Shares in Group undertakings and participating interests	3,112	3,112
Investment in Associate	159,663	159,663
	162,775	162,775

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

15 Other financial assets

Group

	Financial assets at cost less impairment £	Total £
Non-current financial assets		
Cost or valuation		
At 1 April 2021	54,478	54,478
Foreign exchange movements	2,683	2,683
	57,161	57,161
At 31 March 2022	57,161	57,161
Impairment		
At 1 April 2021	54,477	54,477
Foreign exchange movements	2,683	2,683
	57,160	57,160
At 31 March 2022	57,160	57,160
Carrying amount		
At 31 March 2022	1	1

16 Stocks

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Other inventories	2,206	2,169	-	-

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

17 Debtors

Current	Note	Group		Company	
		2022 £	2021 £	2022 £	2021 £
Trade debtors		2,167,893	1,695,369	1,213,139	739,237
Amounts owed by related parties	<u>23</u>	-	-	269,428	66,092
Other debtors		40,134	54,936	5,574	-
Prepayments		270,382	166,647	185,280	44,622
Accrued income		11,414,676	-	11,414,676	-
Deferred tax assets	<u>12</u>	358,686	205,129	358,686	205,129
Income tax asset	<u>12</u>	-	362,346	-	482,443
		<u>14,251,771</u>	<u>2,484,427</u>	<u>13,446,783</u>	<u>1,537,523</u>

18 Cash and cash equivalents

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Cash on hand	156	114	75	76
Cash at bank	6,943,678	7,646,465	6,042,076	6,865,949
	<u>6,943,834</u>	<u>7,646,579</u>	<u>6,042,151</u>	<u>6,866,025</u>

19 Creditors

	Note	Group		Company	
		2022 £	2021 £	2022 £	2021 £
Due within one year					
Trade creditors		143,353	42,828	112,053	21,489
Social security and other taxes		240,535	203,076	237,271	177,754
Other payables		94,729	86,925	87,555	76,739
Accruals and deferred income		4,644,956	3,433,208	3,431,010	2,482,415
Income tax liability	<u>12</u>	391,382	-	374,198	-
		<u>5,514,955</u>	<u>3,766,037</u>	<u>4,242,087</u>	<u>2,758,397</u>
Due after one year					
Deferred income		<u>328,200</u>	<u>479,471</u>	<u>220,649</u>	<u>261,376</u>

20 Pension and other schemes

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £69,906 (2021 - £78,433).

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Defined benefit pension schemes

Universities Superannuation Scheme

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £ 598,554 (2021 - £570,523). The total movement on the provision relating to defined benefit schemes for the year was £1,067,265 (2021 - £119,465).

Multi-Employer Pension Plan

The Company participates in the Universities Superannuation Scheme, a defined benefit scheme. The liabilities are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the Group benefits from the employees' service.

The Universities Superannuation Scheme is accounted for as if the scheme were a defined contribution scheme as the Group is unable to identify its share of the underlying assets and liabilities in the scheme. The scheme has put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102, the Group has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

The 2020 actuarial valuation of the scheme was finalised during the accounting period and reported that total assets of the scheme were £66.5bn, with total liabilities of £80.6bn – meaning a past service shortfall of £14.1bn and a funding level of 83%.

This position has significantly worsened compared to the 2018 valuation, which had a funding level of 95%, and as a result a new deficit recovery plan was agreed. This new plan requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038. This was a significant increase on the 6% contribution due until March 2028 under the 2018 valuation, and explains the significant increase in the liability noted above during the current accounting year.

Employee contribution rates are set at 9.8%. Employer contribution rates are set at 21.6% from 1 April 2022 to 31 March 2024, and 21.4% from 1 April 2024 to 30 April 2038.

In line with FRS 102 paragraph 28.11A, the Company has recognised a provision of £2,493,798 at 31 March 2022 (2021: £1,426,533) for the present value of the estimated future deficit funding element of the contributions payable under the agreement in place at year end. In determining the level of this provision it has been assumed that the Company will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases. A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk.

USS have provided a modeller for employers to calculate the net present value of future contributions under the deficit funding scheme. Certain assumptions relating to future pay increases for staff and the number of employees active in the scheme are used to calculate this liability which is disclosed as a provision.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	149,922	97,698
Later than one year and not later than five years	98,833	177,132
Later than five years	-	75,810
	<u>248,755</u>	<u>350,640</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £139,532 (2021 - £332,652).

Company

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	95,754	54,534
Later than one year and not later than five years	67,833	127,680
Later than five years	-	75,810
	<u>163,587</u>	<u>258,024</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £88,911 (2021 - £281,008).

22 Contingent liabilities

Company

The company is subject to a dilapidations claim having vacated its main premises in March 2021. Neither an estimate of the financial effect, nor the timing of any potential outflow can be reliably measured.

Numerical Algorithms Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

23 Related party transactions

Group

Summary of transactions with other related parties

Independent Directors

During the year the Group paid £15,000 (2021: £13,104) in respect of Director services provided.

Company

Summary of transactions with other related parties

Independent Directors

During the year the Company paid £15,000 (2021: £13,104) in respect of Director services provided.

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.