



## The Chair's Report



This is my final report as chair of the Ukie board. I've served in this role for two years and also as a board member for seven years, which means it is time for me to step down.

But while it is sad for me personally to leave this role, I do so knowing that Ukie is in a strong position, in capable hands and is effectively representing our fantastic sector.

The two years that I've served as chair have been eventful to say the least. Of course, after more than three decades in the games industry, I'm fully aware that there is never a dull moment. But never have external influences affected us all so much, whilst some more games-specific challenges have proven consistent throughout.

My term started with the findings of the DCMS Select Committee Inquiry into Immersive and Addictive technologies being published, which highlighted concerns around loot boxes, and will conclude with the publication of a Call for Evidence around them.

Coronavirus changed the world and the repercussions of it have shaped everyone's lives and businesses. No one would have predicted that we'd all be locked in our houses for such long periods over the past 18 months, which has made it a uniquely challenging time for everyone.

This has been reflected in Ukie's operations, which shifted significantly. The cancellation of global B2B events and some reduction in normal domestic activity has reduced overall revenue. But industry engagement and overall breadth of initiatives has widened, whilst shrewd financial management has delivered an impressive performance.

Revenue to March 31<sup>st</sup> 2021 reduced by 11% year-on-year, whilst profit increased from a marginal loss to a £130,154 profit. It is worth noting, however, that revenue is forecast to reduce again in FY22 and we do not yet know the long-term impact of either the pandemic or the increased number of mergers and acquisitions in a highly-charged sector.

It is satisfying, however, that the industry emerged from the crisis with credit. Games companies didn't just face up to the challenges of Covid; they rode them out in a way that no other sector could imagine possible.

We all benefitted from increased consumer interest in games, with the wider market in the UK reaching £7bn in 2020 as a new generation of players took up the hobby during lockdown. The ability to create great work from our homes, grow our businesses and continue to entertain players throughout what was a miserable time for most has put the wind into the industry's sails.

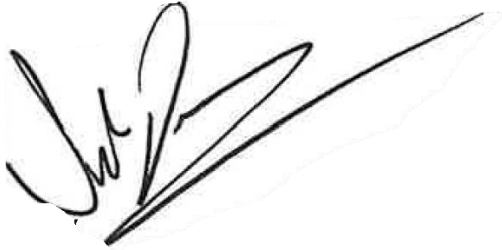
Alongside this growth, I'm pleased to say that Ukie membership has exceeded over 500 companies for the first time in its history, rising from 496 members to 526 at the time of writing. Moving above this watermark is testament to the hard work of the team, its focus on delivering services of real value and Ukie's appeal to games businesses of all sizes and specialism.

Serving such a large membership and Ukie carrying so much responsibility means it is even more important than ever that we are able to draw upon the experience of talented board members, capable of providing guidance, advice and accountability to Jo and all of her team throughout the year.

That support has been provided by a number of board members whose terms end alongside mine. I'd like to extend thanks to Andy Davis, David Gould, Helen Burnill, Katherine Bidwell, Kirsty Rigden, Mark

Cox, Paul Metcalfe and Sean Brennan for their efforts on behalf of Ukie, all of which have been enormously appreciated by both the team and the rest of the membership.

It's essential that we have a strong trade body that is capable of speaking on behalf of all members and the entirety of our diverse industry. I feel proud to have been able to play my own small part in helping Ukie be that strong voice of the industry and I wish my successor all the very best in continuing that work in the coming years.

A handwritten signature in black ink, appearing to read 'Stuart Dinsey', with a long, sweeping horizontal stroke extending to the right.

**Stuart Dinsey, Chair of the Ukie board of directors**

**COMPANY REGISTRATION NUMBER: 02420400**

**The UK Interactive Entertainment Association Limited**  
**Company Limited by Guarantee**  
**Filleted Financial Statements**  
**For the year ended**  
**31 March 2021**

# **The UK Interactive Entertainment Association Limited**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 31 March 2021**

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# **The UK Interactive Entertainment Association Limited**

**Company Limited by Guarantee**

**Officers and Professional Advisers**

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## **THE BOARD OF DIRECTORS**

Dr J L Twist  
S I Dinsey  
K L Bidwell  
D Gould  
K L Rigden  
P Mansell  
D H Burnill  
D A Gayle  
E J Watson  
A E Harding  
T J Hegarty  
N N Collins  
D J Bestwick  
J A Butcher  
G E Stewart  
S S J Ebelthite  
P D Metcalfe  
A M Campbell  
M Li  
R Natarajan  
T J Woodley  
J M Edwards  
H K Sangha  
M S Moreno

## **REGISTERED OFFICE**

Lower Ground Floor Black Bull Yard 18a  
24-28 Hatton Wall  
London  
EC1N 8JH

## **AUDITOR**

Streets Audit LLP  
Chartered accountants & statutory auditor  
Potton House  
Wyboston Lakes  
Great North Road  
Wyboston  
Bedford  
MK44 3BZ

## **BANKERS**

Metro Bank  
One Southampton Row  
London  
WC1B 5HA

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# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	£	2020 £
<b>Fixed assets</b>				
Intangible assets	7		25,364	30,437
Tangible assets	8		90,919	115,880
Investments	9		70	70
			<u>116,353</u>	<u>146,387</u>
<b>Current assets</b>				
Debtors	10	383,785		501,526
Cash at bank and in hand		<u>2,090,329</u>		<u>1,980,347</u>
		<u>2,474,114</u>		<u>2,481,873</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>1,072,150</u>		<u>1,240,097</u>
<b>Net current assets</b>			<u>1,401,964</u>	<u>1,241,776</u>
<b>Total assets less current liabilities</b>			<u>1,518,317</u>	<u>1,388,163</u>
<b>Net assets</b>			<u>1,518,317</u>	<u>1,388,163</u>
<b>Capital and reserves</b>				
Profit and loss account			<u>1,518,317</u>	<u>1,388,163</u>
<b>Members funds</b>			<u>1,518,317</u>	<u>1,388,163</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 6 August 2021, and are signed on behalf of the board by:

  
S I Dinsey  
Director

Company registration number: 02420400

The notes on pages 3 to 8 form part of these financial statements.

# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

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## 1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Lower Ground Floor Black Bull Yard 18a, 24-28 Hatton Wall, London, EC1N 8JH.

## 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

## 3. Accounting policies

### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

### Going concern

The directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

During the year the UK has experienced a pandemic of the coronavirus. The potential effects to the company and its future prospects cannot be fully quantified but the directors remain committed to the protection of the business and the situation is being regularly reviewed.

The directors are mindful of the significant ongoing support being offered by the UK Government and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

### Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

### Revenue recognition

Turnover represents the fair value of services provided under contracts with customers to the extent that there is a right to consideration. It is measured at the fair value of the consideration due, exclusive of VAT.

### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.



# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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## 3. Accounting policies *(continued)*

### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### Government grants

Government grants are recognised using the accrual model. Grants receivable under the Coronavirus Job Retention Scheme are recognised in the period in which the company recognised the related staffing costs for which the grant is intended to compensate. Other discretionary grants, which do not have specified performance-related criteria, are recognised when they are received.

### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Website development costs - 20% to 33% straight line, p.a.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	over the length of the lease
Fixtures and fittings	-	25% straight line, p.a.
Computer equipment	-	20% to 50% straight line, p.a.

# The UK Interactive Entertainment Association Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. Accounting policies *(continued)*

##### Investments

All investments are initially recorded at cost, being fair value of the consideration given and including acquisition costs associated with the investments. Investments are subsequently recorded at cost less any permanent diminution in value.

##### Pension costs

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

#### 4. Company limited by guarantee

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 £100 towards the assets of the company in the event of liquidation.

#### 5. Employee numbers

The average number of persons employed by the company during the year amounted to 17 (2020: 18).

#### 6. Other operating income

Government grants received for immediate assistance for SMEs as part of the Trade Access Programme, as per Ukie/DiT agreement as Trade Challenge Partner, are recognised in the current year's statement of income and retained earnings within other operating income, amounting to £Nil (2020 £9,200).

During the year the company received £4,742 (2020 £Nil) under the Coronavirus Job Retention Scheme.

# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

## 7. Intangible assets

	<b>Website development costs £</b>
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	<u>30,437</u>
<b>Amortisation</b>	
Charge for the year	<u>5,073</u>
<b>At 31 March 2021</b>	<u>5,073</u>
<b>Carrying amount</b>	
At 31 March 2021	<u>25,364</u>
At 31 March 2020	<u>30,437</u>

## 8. Tangible assets

	Leasehold property improv's £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2020	110,003	3,577	34,395	<b>147,975</b>
Additions	–	–	4,236	<b>4,236</b>
Disposals	–	–	(16,472)	<b>(16,472)</b>
<b>At 31 March 2021</b>	<u>110,003</u>	<u>3,577</u>	<u>22,159</u>	<u>135,739</u>
<b>Depreciation</b>				
At 1 April 2020	23,790	3,577	4,728	<b>32,095</b>
Charge for the year	11,006	–	7,629	<b>18,635</b>
Disposals	–	–	(5,910)	<b>(5,910)</b>
<b>At 31 March 2021</b>	<u>34,796</u>	<u>3,577</u>	<u>6,447</u>	<u>44,820</u>
<b>Carrying amount</b>				
At 31 March 2021	<u>75,207</u>	<u>–</u>	<u>15,712</u>	<u>90,919</u>
At 31 March 2020	<u>86,213</u>	<u>–</u>	<u>29,667</u>	<u>115,880</u>

# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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## 9. Investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	<u>70</u>
<b>Impairment</b>	
At 1 April 2020 and 31 March 2021	<u>-</u>
<b>Carrying amount</b>	
At 31 March 2021	<u>70</u>
At 31 March 2020	<u>70</u>

At the reporting date the company owned 100% of the issued share capital (70 Ordinary 'A' shares) of The London Video Games Festival Ltd, a company incorporated in England and Wales.

## 10. Debtors

	2021 £	2020 £
Trade debtors	<b>182,907</b>	186,934
Other debtors	<b>200,878</b>	314,592
	<u><b>383,785</b></u>	<u>501,526</u>

## 11. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	<b>10,062</b>	23,637
Social security and other taxes	<b>21,932</b>	22,255
Other creditors	<b>1,040,156</b>	1,194,205
	<u><b>1,072,150</b></u>	<u>1,240,097</u>

# The UK Interactive Entertainment Association Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

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## 12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	144,395	144,395
Later than 1 year and not later than 5 years	572,220	572,220
Later than 5 years	262,268	405,323
	<u>978,883</u>	<u>833,148</u>

## 13. Summary audit opinion

The auditor's report for the year dated 13 August 2021 was unqualified.

The senior statutory auditor was Benjamin Halstead FCA, for and on behalf of Streets Audit LLP.

## 14. Related party transactions

During the current and previous year there were no related party transactions that required disclosure in accordance with FRS 102 Section 1A.