
AQDOT LIMITED

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



AQDOT LIMITED
REGISTERED NUMBER: 08194508

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Intangible assets	5	574,357	415,911
Tangible assets	6	322,766	361,648
Investments		90	-
		<u>897,213</u>	<u>777,559</u>
CURRENT ASSETS			
Stocks		31,240	-
Debtors: amounts falling due within one year	8	703,702	580,056
Cash at bank and in hand	9	6,113,800	2,507,966
		<u>6,848,742</u>	<u>3,088,022</u>
Creditors: amounts falling due within one year	10	(629,476)	(634,994)
NET CURRENT ASSETS		<u>6,219,266</u>	<u>2,453,028</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,116,479</u>	<u>3,230,587</u>
NET ASSETS		<u><u>7,116,479</u></u>	<u><u>3,230,587</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	12,973	8,028
Share premium account		14,512,301	8,517,235
Profit and loss account		(7,408,795)	(5,294,676)
		<u>7,116,479</u>	<u>3,230,587</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

AQDOT LIMITED
REGISTERED NUMBER: 08194508

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

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



Mr T Wright
Director

Date: 13th August 2019,

The notes on pages 4 to 11 form part of these financial statements.

AQDOT LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
AT 1 JANUARY 2017	8,028	8,517,196	(3,390,404)	5,134,820
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(1,904,272)	(1,904,272)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	(1,904,272)	(1,904,272)
Shares issued during the year	-	39	-	39
TOTAL TRANSACTIONS WITH OWNERS	-	39	-	39
AT 1 JANUARY 2018	8,028	8,517,235	(5,294,676)	3,230,587
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(2,114,119)	(2,114,119)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	(2,114,119)	(2,114,119)
Shares issued during the year	4,945	5,995,066	-	6,000,011
TOTAL TRANSACTIONS WITH OWNERS	4,945	5,995,066	-	6,000,011
AT 31 DECEMBER 2018	12,973	14,512,301	(7,408,795)	7,116,479

The notes on pages 4 to 11 form part of these financial statements.

AQDOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

AQDOT Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is Lab1 Iconix 2 Iconix Park, London Road, Cambridge, CB22 3EG.

The Company's functional and presentational currency is GBP.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

AQDOT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 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:

Plant and machinery	- Straight line over 5 years
Computer equipment	- Straight line over 3 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 the Profit and Loss Account.

2.5 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company 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 Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

AQDOT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (CONTINUED)

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.

2.10 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Profit and Loss Account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

2.11 FINANCE COSTS

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 PENSIONS

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 INTEREST INCOME

Interest income is recognised in the Profit and Loss Account using the effective interest method.

AQDOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.14 TAXATION

Tax is recognised in the Profit and Loss Account, 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.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.15 RESEARCH AND DEVELOPMENT

Research and development expenditure is written off in the year in which it is incurred.

3. OTHER OPERATING INCOME

	2018 £	2017 £
Other operating income	-	5,000
Government grants receivable	480,622	419,431
Sundry income	-	300
RDEC income	53,417	53,818
	<u>534,039</u>	<u>478,549</u>

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 24 (2017 - 22).

AQDOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. INTANGIBLE ASSETS

	Patents £
COST	
At 1 January 2018	567,029
Additions	239,054
At 31 December 2018	<u>806,083</u>
AMORTISATION	
At 1 January 2018	151,118
Charge for the year	80,608
At 31 December 2018	<u>231,726</u>
NET BOOK VALUE	
At 31 December 2018	<u><u>574,357</u></u>
At 31 December 2017	<u><u>415,911</u></u>

AQDOT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION			
At 1 January 2018	581,839	70,226	652,065
Additions	90,693	19,542	110,235
Disposals	(13,338)	-	(13,338)
At 31 December 2018	<u>659,194</u>	<u>89,768</u>	<u>748,962</u>
DEPRECIATION			
At 1 January 2018	239,299	51,118	290,417
Charge for the year on owned assets	123,497	17,395	140,892
Disposals	(5,113)	-	(5,113)
At 31 December 2018	<u>357,683</u>	<u>68,513</u>	<u>426,196</u>
NET BOOK VALUE			
At 31 December 2018	<u>301,511</u>	<u>21,255</u>	<u>322,766</u>
At 31 December 2017	<u>342,540</u>	<u>19,108</u>	<u>361,648</u>

AQDOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
Additions	90
At 31 December 2018	<u>90</u>

8. DEBTORS

	2018 £	2017 £
Trade debtors	110,268	150,810
Amounts owed by group undertakings	4,189	-
Other debtors	525,934	373,951
Prepayments and accrued income	63,311	55,295
	<u>703,702</u>	<u>580,056</u>

9. CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	6,113,800	2,507,966
	<u>6,113,800</u>	<u>2,507,966</u>

AQDOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	125,990	119,039
Other taxation and social security	45,136	43,166
Other creditors	15,002	20,572
Accruals and deferred income	443,348	452,217
	<u>629,476</u>	<u>634,994</u>

Other creditors include contributions of £10,613 (2017 - £14,453) payable to the Company's defined contribution pension scheme at the balance sheet date.

11. SHARE CAPITAL

	2018 £	2017 £
Allotted, called up and fully paid		
120,734 (2017 - 120,734) Ordinary shares of £0.000100 each	12.0734	12.0734
553,319 (2017 - 223,639) EIS shares of £0.010000 each	5,533.1900	2,236.3900
742,777 (2017 - 577,937) Preferred shares of £0.010000 each	7,427.7700	5,779.3700
	<u>12,973.0334</u>	<u>8,027.8334</u>

During the year 329,680 EIS shares of £0.01 each were issued. Total consideration in respect of the EIS shares issued was £4,000,007. Also during the year 164,840 preferred shares of £0.01 each were issued. Total consideration in respect of the preferred shares issued was £2,000,004.

12. OTHER FINANCIAL COMMITMENTS

Other financial commitments, guarantees and contingencies that are not included in the balance sheet amount to £136,917 (2017 - £66,632).