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**AQDOT LIMITED**

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**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**AQDOT LIMITED**  
**REGISTERED NUMBER: 08194508**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	5	843,516	805,347
Tangible assets	6	87,904	179,470
Investments	7	90	90
		<u>931,510</u>	<u>984,907</u>
<b>CURRENT ASSETS</b>			
Stocks		177,362	67,222
Debtors: amounts falling due within one year	8	506,993	832,688
Cash at bank and in hand		3,745,069	3,204,806
		<u>4,429,424</u>	<u>4,104,716</u>
Creditors: amounts falling due within one year	9	(606,695)	(903,146)
<b>NET CURRENT ASSETS</b>		<u>3,822,729</u>	<u>3,201,570</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,754,239</u>	<u>4,186,477</u>
Creditors: amounts falling due after more than one year	10	(2,217,534)	-
<b>NET ASSETS</b>		<u><u>2,536,705</u></u>	<u><u>4,186,477</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	12,986	12,977
Share premium account		13,586	14,512,736
Profit and loss account		2,510,133	(10,339,236)
		<u><u>2,536,705</u></u>	<u><u>4,186,477</u></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 period in question in accordance with section 476 of the 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.

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**AQDOT LIMITED**  
**REGISTERED NUMBER: 08194508**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2021**

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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.

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

**T Wright**  
**Director**

Date: 9 June 2021

The notes on pages 4 to 12 form part of these financial statements.

AQDOT LIMITED

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
<b>AT 1 JANUARY 2018</b>	<b>12,973</b>	<b>14,512,301</b>	<b>(7,408,795)</b>	<b>7,116,479</b>
Loss for the period	-	-	<b>(2,930,441)</b>	<b>(2,930,441)</b>
Shares issued during the period	4	435	-	439
<b>AT 1 APRIL 2020</b>	<b>12,977</b>	<b>14,512,736</b>	<b>(10,339,236)</b>	<b>4,186,477</b>
Loss for the period	-	-	<b>(1,650,631)</b>	<b>(1,650,631)</b>
Capital reduction	-	<b>(14,500,000)</b>	<b>14,500,000</b>	-
Shares issued during the period	9	850	-	859
<b>AT 31 MARCH 2021</b>	<b>12,986</b>	<b>13,586</b>	<b>2,510,133</b>	<b>2,536,705</b>

The notes on pages 4 to 12 form part of these financial statements.

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

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**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.

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

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**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 profit or loss.

**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.

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

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**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 profit or loss 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 profit or loss 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 profit or loss 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 profit or loss using the effective interest method.

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

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.14 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.15 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.

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.

**2.16 RESEARCH AND DEVELOPMENT**

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



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

**3. OTHER OPERATING INCOME**

	Year Ended 31 March 2021 £	15 Month Period Ended 31 March 2020 £
Government grants receivable	239,421	376,178
Grants and prizes	3,159	-
RDEC income	20,676	76,576
	<u>263,256</u>	<u>452,754</u>

Government grants represents amounts receivable:

- under the Coronavirus Job Retention Scheme (CJRS) of £43,531 (2020 - £NIL).
- from Innovate UK grants of £195,890 (2020 - £376,178).

**4. EMPLOYEES**

The average monthly number of employees, including directors, during the period was 26 (2020 - 27).

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

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**5. INTANGIBLE ASSETS**

	Patents £
<b>COST</b>	
At 1 April 2020	1,161,685
Additions	162,549
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At 31 March 2021	1,324,234
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<b>AMORTISATION</b>	
At 1 April 2020	356,338
Charge for the period on owned assets	124,380
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At 31 March 2021	480,718
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<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>843,516</u>
At 31 March 2020	<u>805,347</u>

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

**6. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Computer equipment £	Total £
<b>COST OR VALUATION</b>			
At 1 April 2020	667,092	104,647	771,739
Additions	724	3,293	4,017
At 31 March 2021	<u>667,816</u>	<u>107,940</u>	<u>775,756</u>
<b>DEPRECIATION</b>			
At 1 April 2020	509,577	82,692	592,269
Charge for the period on owned assets	82,902	12,681	95,583
At 31 March 2021	<u>592,479</u>	<u>95,373</u>	<u>687,852</u>
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>75,337</u>	<u>12,567</u>	<u>87,904</u>
<b>At 31 March 2020</b>	<u>157,515</u>	<u>21,955</u>	<u>179,470</u>

**7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 April 2020	<u>90</u>
At 31 March 2021	<u>90</u>

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

**8. DEBTORS**

	2021 £	2020 £
Trade debtors	46,563	285,578
Amounts owed by group undertakings	43,738	26,268
Other debtors	361,753	476,174
Prepayments and accrued income	54,939	44,668
	<u>506,993</u>	<u>832,688</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	79,039	163,864
Other taxation and social security	41,476	42,139
Other creditors	21,801	15,635
Accruals and deferred income	464,379	681,508
	<u>606,695</u>	<u>903,146</u>

Other creditors include contributions of £21,801 (2020 - £11,314) payable to the Company's defined contribution pension scheme at the balance sheet date.

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Convertible loan note	2,217,534	-
	<u>2,217,534</u>	<u>-</u>

Other loans comprise convertible loan notes, which incur a rolled up interest of 8% per annum.

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

**11. SHARE CAPITAL**

	<b>2021</b>	2020
	<b>£</b>	£
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
250,456 (2020 - 164,621) Ordinary shares of £0.000100 each	<b>25.0456</b>	16.4621
553,319 (2020 - 553,319) EIS shares of £0.010000 each	<b>5,533.1900</b>	5,533.1900
742,777 (2020 - 742,777) Preferred shares of £0.010000 each	<b>7,427.7700</b>	7,427.7700
	<u><b>12,986.0056</b></u>	<u>12,977.4221</u>

During the year 85,835 Ordinary shares of £0.0001 each were issued. Total consideration in respect of the Ordinary shares issued was £858.

**12. OTHER FINANCIAL COMMITMENTS**

The other financial commitment is in respect of a premises lease. The provision, not included in the Balance Sheet, amounting to £84,707 (2020 - £26,047) represents the cost to the next break clause in the lease on the basis that the directors' are considering options about the future geographical location of the business.

**13. COVID-19**

The global health crisis caused by COVID-19 continues to have a significant impact on all businesses and economies around the globe. The directors have assessed the potential impact of Coronavirus on the Company and its assets with the information available and does not consider that it will lead to any impairment of the carrying amount of reported assets. The directors have also carried out a number of scenario planning exercises and has put plans in place in order to mitigate any negative effects of a period of interrupted trading the Company may experience, which will enable the Company to continue as a going concern.

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