

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**COMPANY REGISTRATION NUMBER : 03636794**

**FILLETED SMALL GROUP ACCOUNTS (CONSOLIDATED)**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2019**

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COMPANIES HOUSE

**30 MILL BANK**  
**MILLBANK**  
**LONDON**  
**SW1P 4DU**

**ADVANCED DESIGN TECHNOLOGY LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	<b>Dr Akira Goto Dr Steven Schooling Dr Hiroyoshi Watanabe Andrew Wettern (resigned: 15.12.2019) Dr Mehrdad Zangeneh Dr Georg Scheuerer Mr James Christian Randles (appointed: 15.12.2019)</b>
<b>Secretary</b>	<b>Dr Mehrdad Zangeneh</b>
<b>Company number</b>	<b>03636794</b>
<b>Registered office</b>	<b>30 Mill Bank Millbank London SW1P 4DU</b>
<b>Independent auditor</b>	<b>Reza Samii Chartered Accountants &amp; Registered Auditors 5 Calico Row Plantation Wharf London SW11 3YH</b>
<b>Business address</b>	<b>30 Mill Bank Millbank London SW1P 4DU</b>

**ADVANCED DESIGN TECHNOLOGY LIMITED**

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**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2019

		<u>31 December 2019</u>		<u>31 December 2018</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	3		679,693		611,504
Tangible assets	4		48,940		31,896
Investments	5		0		0
<b>CURRENT ASSETS</b>					
Debtors	6	541,486		674,611	
Cash at bank and in hand		830,433		1,121,130	
		<u>1,371,919</u>		<u>1,795,741</u>	
<b>CREDITORS : Amounts falling due within one year</b>	7	(745,970)		(949,827)	
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			<u>625,950</u>		<u>845,914</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,354,583</b>		<b>1,489,314</b>
<b>CREDITORS : Amount falling due after more than one year</b>	8		<u>(7,952)</u>		<u>0</u>
			<u><b>1,346,631</b></u>		<u><b>1,489,314</b></u>
<b>CAPITAL AND RESERVES:</b>					
Called up shared capital	9		151		151
Share premium account			314,899		314,899
Profit and loss reserves			<u>1,031,581</u>		<u>1,174,264</u>
<b>Total Equity</b>			<u><b>1,346,631</b></u>		<u><b>1,489,314</b></u>

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

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

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

These accounts were approved by the board of directors and authorised for issue on 18th July 2020 and signed on its behalf by:

Dr. Mehrdad Zangeneh ..... Director

Company Registration No. 03638794

The Notes form part of these accounts

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**COMPANY STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2019

		<u>31 December 2019</u>		<u>31 December 2018</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	3		679,693		611,504
Tangible assets	4		43,037		27,035
Investments	5		33,894		33,894
<b>CURRENT ASSETS</b>					
Debtors	6	870,032		732,941	
Cash at bank and in hand		<u>721,472</u>		<u>1,081,878</u>	
		1,591,504		1,814,818	
<b>CREDITORS : Amounts falling due within one year</b>	7	(696,233)		(923,293)	
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			<u>895,271</u>		<u>891,525</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,651,895		1,563,957
<b>CREDITORS : Amount falling due after more than one year</b>	8		<u>(7,952)</u>		<u>0</u>
			<u>1,643,943</u>		<u>1,563,957</u>
<b>CAPITAL AND RESERVES:</b>					
Called up shared capital	9		151		151
Share premium account			314,899		314,899
Profit and loss reserves			<u>1,328,893</u>		<u>1,248,907</u>
<b>Total Equity</b>			<u>1,643,943</u>		<u>1,563,957</u>

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These accounts were approved by the board of directors and authorised for issue on 18th July 2020 and signed on its behalf by:

Dr. Mehrdad Zangeneh .....Director

Company Registration No. 03636794

The Notes form part of these accounts

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOW**

AS AT 31 DECEMBER 2019

		2019 £	2018 £
<b>Cash flows from operating activities</b>	<b>13</b>	<b>201,178</b>	<b>612,786</b>
Cash generated from operations:			
Interest paid		(1,682)	(1,804)
Income and corporation taxes paid		(24,367)	(21,580)
		<hr/>	<hr/>
<b>Net cash inflow / (outflow) from operating activities</b>		<b>175,129</b>	<b>589,403</b>
<b>Investing activities</b>			
Purchase of intangible assets	<b>3</b>	(401,768)	(330,207)
Purchase of tangible fixed assets	<b>4</b>	(61,790)	(24,104)
		<hr/>	<hr/>
		<b>(463,558)</b>	<b>(354,311)</b>
<b>Financing activities</b>			
Payment of finance leases obligations		(2,268)	(10,692)
		<hr/>	<hr/>
		<b>(2,268)</b>	<b>(10,692)</b>
		<hr/>	<hr/>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(290,697)</b>	<b>224,398</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>1,121,130</b>	<b>896,732</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>		<b>830,433</b>	<b>1,121,130</b>
		<hr/> <hr/>	<hr/> <hr/>

*The Notes form part of these accounts*

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

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**1 . ACCOUNTING POLICIES:-**

**COMPANY INFORMATION**

Advanced Design Technology Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 Mill Bank, Millbank, London, SW1P 4DU.

**1.1 ACCOUNTING CONVENTION:**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to small companies regime. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The accounts have been prepared under historical cost convention in accordance with the accounting policies set out below.

**1.2 TURNOVER:**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

**1.3 INTANGIBLE FIXED ASSETS OTHER THAN GOODWILL:**

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development Costs	- 20% per annum straight line
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**1.4 TANGIBLE FIXED ASSETS:**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	- 20% and 50% per annum straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

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**1.5 IMPAIRMENT OF FIXED ASSETS:**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash - generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash - generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash - generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.6 CASH AT BANK AND IN HAND:**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 FINANCIAL INSTRUMENTS:**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets:**

Basic financial asset, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

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**FINANCIAL INSTRUMENTS (Continued...):**

**Impairment of financial assets:**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

**Classification of financial liabilities:**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities:**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. 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 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.8 EQUITY INSTRUMENTS:**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.9 TAXATION:**

The tax represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

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**TAXATION (Continued...)**

**Deferred tax**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

**1.10 EMPLOYEE BENEFITS:**

The cost of short-term employee benefits are recognised as a liability and an expenses, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 RETIREMENT BENEFITS:**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.12 LEASES:**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating lease.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

**1.13 FOREIGN EXCHANGE:**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All differences are taken into profit and loss account.

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

**2 . EMPLOYEES:**

The average monthly number of employees, including the directors, during the year was as follows:

<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
<b>35</b>	<b>33</b>	<b>29</b>	<b>27</b>

**3 .INTANGIBLE FIXED ASSETS: Group and company**

	<b>Research &amp; Developments</b>		<b>Total</b>
	<b>Internal £</b>	<b>Others £</b>	<b>£</b>
<b>Software Developments</b>			
<b>Cost or valuation:</b>			
At January 2019	<b>2,461,095</b>	<b>193,131</b>	<b>2,654,226</b>
Additions	321,438	80,330	401,768
Adjustment in respect of fully depreciated items	(1,136,187)	(79,481)	(1,215,668)
<b>At 31 December 2019</b>	<b>1,646,346</b>	<b>193,980</b>	<b>1,840,326</b>
<b>Amortisation and impairment</b>			
At January 2019	<b>1,936,974</b>	<b>105,749</b>	<b>2,042,722</b>
Amortisation charge for the year	303,822	29,756	333,578
Adjustment in respect of fully depreciated items	(1,136,187)	(79,481)	(1,215,668)
<b>As at 31.12.2019</b>	<b>1,104,609</b>	<b>56,024</b>	<b>1,160,633</b>
<b>Net Book Value as at 31.12.2019</b>	<b>541,737</b>	<b>137,956</b>	<b>679,693</b>
Net Book Value as at 31.12.2018	524,121	87,382	611,504

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

<b>4 .TANGIBLE FIXED ASSETS:-</b>	<b>GROUP</b>	<b>Computer &amp; Office equip'nt £</b>	<b>Furniture, Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost or valuation:</b>				
At January 2019		166,991	16,761	183,751
Additions		61,790	0	61,790
Adjustment in respect of fully depreciated items		(100,986)	(14,618)	(115,604)
<b>At 31 December 2019</b>		<b>127,795</b>	<b>2,143</b>	<b>129,937</b>
<b>Depreciation</b>				
At January 2019		136,472	15,383	151,855
Depreciation charge for the year		44,354	392	44,746
Adjustment in respect of fully depreciated ite		(100,986)	(14,618)	(115,604)
<b>As at 31.12.2019</b>		<b>79,840</b>	<b>1,157</b>	<b>80,997</b>
<b>Net Book Value as at 31.12.2019</b>		<b>47,955</b>	<b>986</b>	<b>48,940</b>
Net Book Value as at 31.12.2018		30,519	1,378	31,896

  

<b>5 .TANGIBLE FIXED ASSETS:-</b>	<b>COMPANY</b>	<b>Computer &amp; Office equip'nt £</b>	<b>Furniture, Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost or valuation:</b>				
At January 2019		161,541	16,761	178,302
Additions		57,702	0	57,702
Adjustment in respect of fully depreciated ite		(100,986)	(14,618)	(115,604)
<b>At 31 December 2019</b>		<b>118,257</b>	<b>2,143</b>	<b>120,400</b>
<b>Depreciation</b>				
At January 2019		135,884	15,383	151,267
Depreciation charge for the year		41,308	392	41,700
Adjustment in respect of fully depreciated ite		(100,986)	(14,618)	(115,604)
<b>As at 31.12.2019</b>		<b>76,206</b>	<b>1,157</b>	<b>77,363</b>
<b>Net Book Value as at 31.12.2019</b>		<b>42,051</b>	<b>986</b>	<b>43,037</b>
Net Book Value as at 31.12.2018		25,657	1,378	27,035

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

	Group £ 31.12.2019	Group £ 31.12.2018	Company £ 31.12.2019	Company £ 31.12.2018
<b>5 .INVESTMENTS:</b>				
Interests in subsidiaries	0	0	33,894	33,894

**Subsidiary undertakings:**

The following were subsidiary undertakings of the Company:

<u>Name</u>	<u>Class of share</u>	<u>Holding</u>	<u>Principal Activity</u>
Advanced Design Technology Japan Co Limited	Ordinary	100%	Development and production of computer software products & the provision of related services
Advanced Design Technology Shanghai Co Limited	Ordinary	100%	Development and production of computer software products & the provision of related services

<b>Cost or valuation:</b>	<u>Company</u>	£
At January 2019		33,894
Additions		0
<b>At 31 December 2019</b>		<b>33,894</b>
<b>Net Book Value as at 31.12.2019</b>		<b>33,894</b>
Net Book Value as at 31.12.2018		33,894

	Group £ 31.12.2019	Group £ 31.12.2018	Company £ 31.12.2019	Company £ 31.12.2018
<b>6 .DEBTORS:</b>				
<b>Amounts falling due within one year:</b>				
Trade debtors	130,009	167,596	130,009	167,596
Amounts due from related parties - note 11	276,288	381,991	222,963	334,921
Amounts due from group undertakings - note 11	0	0	386,969	108,514
R & D expenditure credit recoverable	62,216	62,996	62,216	62,996
Rent deposit	8,885	9,067	5,952	5,952
Prepayments and accrued income	54,980	46,588	54,980	46,588
VAT	2,337	687	2,337	687
Loans	6,771	5,686	4,606	5,686
	<b>541,486</b>	<b>674,611</b>	<b>870,032</b>	<b>732,941</b>

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

	Group £ 31.12.2019	Group £ 31.12.2018	Company £ 31.12.2019	Company £ 31.12.2018
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**7 .CREDITORS:**

**Amounts falling due within one year:**

Bank loans and overdrafts	4,250	2,706	4,250	2,706
Trade creditors	36,231	94,802	30,382	90,077
Director's Loan Account	11,176	10,126	0	0
Amounts due to related parties - note 11	278,306	295,920	278,307	295,920
Corporation Tax	14,420	20,874	14,045	20,874
Other taxation and social security	27,921	37,996	25,600	37,641
Withholding tax payable	5,270	1,285	0	0
Pensions payable	4,494	2,712	4,494	2,712
Accruals and deferred income	349,654	460,537	324,907	450,537
Net obligations under finance leases	8,424	10,692	8,424	10,692
Other creditors	5,824	12,177	5,824	12,135

	<b>745,970</b>	<b>949,827</b>	<b>696,233</b>	<b>923,293</b>
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Director's loan is unsecured and interest free.

	Group £ 31.12.2019	Group £ 31.12.2018	Company £ 31.12.2019	Company £ 31.12.2018
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**8 .PROVISION FOR LIABILITIES:**

- Deferred taxation				
- Accelerated capital allowances	7,952	0	7,952	0
	<b>7,952</b>	<b>0</b>	<b>7,952</b>	<b>0</b>

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

<b>9 . CALLED UP SHARE CAPITAL:-</b>	<b>Number 31.12.2019</b>	<i>Number 31.12.2018</i>
Ordinary share capital Issued and fully paid		
130 A Ordinary shares of £1 each	130	130
1 B Ordinary share of £1 each	1	1
20 C Ordinary shares of £1 each	<u>20</u>	<u>20</u>
Ordinary shares of £1 each	<u><u>151</u></u>	<u><u>151</u></u>

The A, B and C shares rank pari-passu except:-

(i) The B share carries no rights to receive dividends or other distributions out of the revenue or any other profits of the company.

(ii) The B share shall, on winding up or other return of assets of the company, be entitled to share pari-passu the assets available for distribution only after the debts and liabilities of the company and the costs of the winding up have been paid or allowed for and after there has been paid on each A and C share of £1 in the capital of the company the sum of £1 million or its equivalent in any other currency in which payment is determined to be made.

(iii) The C shares have no voting rights.

## **10 . AUDIT REPORT INFORMATION**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with S 444(5B) of the Companies Act 2006:

The auditor's report on the financial statements for the year ended 31st December 2019 was unqualified.

The senior statutory auditor was Mr. Reza Samii and his audit report was dated 18 July 2020.

**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

**11 . RELATED PARTY TRANSACTIONS**

During the year the Group sold £265,889 (2018: £225,428) worth of computer software and consultancy services to Ebara Corporation. The Ebara Corporation is one of the Holding company's shareholders.

Included in the cost of sales, are £22,500 (2018: £22,500) worth of royalties payable to Turbo Design Technology Limited, a UK registered company in which Dr. Mehrdad Zangeneh, a director of the company, is interested by virtue of his 100% shareholding.

Included in the cost of sales, are £2,500 (2018: £2,500) worth of royalties payable to University College London (a shareholder in the company).

During the year the Group sold £424,919 (2018: £461,542) worth of computer software and consultancy services to Turbo Design Technology Inc., a company incorporated in the United States. Dr. Mehrdad Zangeneh is a director of Turbo Design Technology Inc.

During the year Mr Andrew Wettern, a director, charged the Group a sum of £4,000 towards his directorship services.

	£ 31.12.2019	£ 31.12.2018
<b>Related parties' balances - debtor/(creditor)</b>		
Ebara Corporation	(2,000)	(2,000)
Ebara Corporation	66,502	47,070
University College London University	(107,809)	(89,722)
Turbo Design Technology Ltd	(166,697)	(204,197)
Turbo Design Technology Inc.	209,786	334,921
Wettern Ventures Ltd	(1,800)	0
	<hr/>	<hr/>
<b>Net balances</b>	<b>(2,018)</b>	<b>86,072</b>
	<hr/>	<hr/>
Due from	276,288	381,991
Due to	(278,306)	(295,919)
	<hr/>	<hr/>
<b>As above</b>	<b>(2,018)</b>	<b>86,072</b>
	<hr/>	<hr/>
<b>Group undertakings' balances - debtor</b>		
Advanced Design Technology Shanghai Company Ltd	226,411	86,764
Advanced Design Technology Japan Company Ltd	160,558	21,750
	<hr/>	<hr/>
Due from	<b>386,969</b>	<b>108,514</b>
	<hr/>	<hr/>



**ADVANCED DESIGN TECHNOLOGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING 31 DECEMBER 2019

**12 . OPERATING LEASE COMMITMENTS**

**Lessee**

At 31st December 2019 the company had outstanding commitments for future minimum lease payments under non - cancellable operating leases, as follows:-

	<b>Group</b> <b>2019</b> <b>£</b>	<i>Group</i> <i>2018</i> <i>£</i>	<b>Company</b> <b>2019</b> <b>£</b>	<i>Company</i> <i>2018</i> <i>£</i>
Within one year	<b>72,111</b>	<i>90,071</i>	<b>56,291</b>	<i>76,500</i>
After one year but within 5 years	<b>136,616</b>	<i>98,908</i>	<b>87,495</b>	<i>44,625</i>

**13 . CASH GENERATED FROM OPERATIONS**

	<b>31.12.2019</b> <b>£</b>	<i>31.12.2018</i> <i>£</i>
Profit / (loss) for the year after tax	<b>(136,731)</b>	<i>215,738</i>
<b>Adjustments for:</b>		
Taxation charged	<b>28,042</b>	<i>21,580</i>
Finance costs	<b>1,682</b>	<i>1,804</i>
Amortisation and impairment of intangible assets	<b>333,578</b>	<i>348,459</i>
Depreciation and impairment of tangible fixed assets	<b>44,746</b>	<i>24,893</i>
<b>Movements in working capital:</b>		
(Increase) / decrease in debtors	<b>132,344</b>	<i>(178,694)</i>
(Decrease) / increase in creditors	<b>(216,009)</b>	<i>179,006</i>
<b>Cash generated from operations</b>	<b>187,653</b>	<i>612,786</i>

**14 . CONTROLLING PARTY**

The company's ultimate controlling party is Dr. Mehrdad Zangeneh (director) by virtue of his direct and indirect shareholdings in the company.

**15 . POST BALANCE SHEET EVENT & COVID 19**

The global outbreak of COVID-19 is deemed to be a non-adjusting subsequent event for the Company as at 31 December 2019. At the date of signing these financial statements there has been a material changes in the underlying performance of the Company. As such the directors are unable to determine or quantify in full, at this time, the financial and reporting impact of this global crisis and note this may have a material impact on the performance of the company in the future.