

ANALYTICAL GRAPHICS UK LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 FEBRUARY 2020

**ANALYTICAL GRAPHICS UK LIMITED**

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# ANALYTICAL GRAPHICS UK LIMITED

## COMPANY INFORMATION

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Directors	W J Broderick R Spinogatti D Trumbull Milewski
Company secretary	Vistra Company Secretaries Limited
Registered number	06306974
Registered office	Breakspear Park Suite F Hemel Hempstead HP2 4TZ
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

**ANALYTICAL GRAPHICS UK LIMITED****BALANCE SHEET  
AS AT 29 FEBRUARY 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	5	6,613	448
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	598,164	458,440
Cash at bank and in hand	7	184,475	51,849
		<u>782,639</u>	<u>510,289</u>
Creditors: amounts falling due within one year	8	(786,987)	(616,481)
<b>Net current liabilities</b>		<b>(4,348)</b>	<b>(106,192)</b>
<b>Net assets/(liabilities)</b>		<u><b>2,265</b></u>	<u><b>(105,744)</b></u>
<b>Capital and reserves</b>			
Called up share capital	9	2	2
Capital redemption reserve		213,418	213,418
Profit and loss account		(211,155)	(319,164)
<b>Total equity/(shareholders' deficit)</b>		<u><b>2,265</b></u>	<u><b>(105,744)</b></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. The profit and loss account and directors' report have not been filed.

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

**R Spinogatti**  
Director

Date: 26 February 2021

The notes on pages 3 to 10 form part of these financial statements.

# **ANALYTICAL GRAPHICS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020**

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### **1. General information**

Analytical Graphics UK Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is Breakspear Park, Suite F, Hemel Hempstead, HP2 4TZ.

The financial statements are presented in Sterling (£).

### **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 Going concern**

As further explained in note 12, the Analytical Graphics group was acquired by Ansys, Inc. on 30 November 2020 and steps have been taken to transfer the activities of Analytical Graphics UK Limited to Ansys group entities. The intention is for the company to be dissolved once operations have been fully wound down. Accordingly, the directors have prepared the accounts on a basis other than going concern.

#### **2.3 Revenue**

Revenue from sales from software subscriptions and maintenance contracts is recognised on a straight-line basis over the term of the subscription contract.

Revenue not recognised in the profit and loss account under this policy is classified as deferred income on the balance sheet and recognised as revenue in the period to which it relates.

Revenue from contracts to provide sales and marketing services to the parent company is recognised in the period in which the services are provided.

Revenue is recognised to the extent that it is probable that the company will receive the consideration due under the contract and the amount of revenue can be measured reliably. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax.

#### **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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

# ANALYTICAL GRAPHICS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

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:

Fixtures & fittings	-	20%
Computer equipment	-	33.33%
Leasehold improvements	-	33.33%

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 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Financial liabilities

Basic financial liabilities, including other creditors and loans from fellow group companies, 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 payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# **ANALYTICAL GRAPHICS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020**

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

#### **2.5 Financial instruments (continued)**

##### **Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### **Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

#### **2.6 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.

#### **2.7 Share capital**

Ordinary shares classified as equity.

# ANALYTICAL GRAPHICS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 2. Accounting policies (continued)

#### 2.8 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' and 'interest payable and similar expenses'. All other foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

#### 2.9 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

#### 2.10 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. 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.

#### 2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.



# ANALYTICAL GRAPHICS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 2. Accounting policies (continued)

#### 2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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 arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 3. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 3).

### 4. Taxation

#### Factors that may affect future tax charges

The company has estimated trading losses of £155,000 (2019 - £271,000) available for carry forward against future trading profits.

There is a potential deferred tax asset of approximately £26,000 (2019 - £46,000), which has not been recognised in the financial statements due to uncertainty concerning the timescale as to its recovery.

# ANALYTICAL GRAPHICS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

### 5. Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 March 2019	6,733	10,247	28,971	45,951
Additions	-	2,353	4,678	7,031
Disposals	-	-	(1,845)	(1,845)
At 29 February 2020	6,733	12,600	31,804	51,137
<b>Depreciation</b>				
At 1 March 2019	6,733	10,247	28,523	45,503
Charge for the year	-	471	395	866
Disposals	-	-	(1,845)	(1,845)
At 29 February 2020	6,733	10,718	27,073	44,524
<b>Net book value</b>				
At 29 February 2020	-	1,882	4,731	6,613
At 28 February 2019	-	-	448	448

### 6. Debtors

	2020 £	2019 £
Trade debtors	309,522	236,712
Other debtors	2,766	2,715
Prepayments and accrued income	285,876	219,013
	<u>598,164</u>	<u>458,440</u>

# ANALYTICAL GRAPHICS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

### 7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>184,475</u>	<u>51,849</u>

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

	2020 £	2019 £
Amounts owed to group undertakings	132,331	125,461
Corporation tax	36	361
Other taxation and social security	62,530	58,533
Other creditors	9,034	6,610
Accruals and deferred income	583,056	425,516
	<u>786,987</u>	<u>616,481</u>

### 9. Share capital

	2020 £	2019 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
2 (2019 - 2) Ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 10. Commitments under operating leases

At 29 February 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	19,032	16,212
Later than 1 year and not later than 5 years	19,032	-
	<u>38,064</u>	<u>16,212</u>

# **ANALYTICAL GRAPHICS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020**

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### **11. Related party transactions**

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

### **12. Post balance sheet events**

On 30 November 2020 Analytical Graphics, Inc. and its subsidiaries including Analytical Graphics UK Limited were acquired by Ansys, Inc.

On 31 December 2020 all employees of Analytical Graphics UK Limited were transferred to Ansys, Inc. group entities and the intention is for the company to be dissolved once operations have been fully wound down.

### **13. Parent undertaking**

The only group for which consolidated financial statements are drawn up is headed by Analytical Graphics, Inc. whose registered office is 220 Valley Creek Blvd, Exton, PA 19341. The consolidated financial statements are not available to the public.

Post year end, on 30 November 2020 the group was acquired by Ansys Inc., whose registered office is 2600 ANSYS Drive, Canonsburg, PA 15317. The consolidated financial statements are available on <https://www.ansys.com/>.

### **14. Auditor's information**

The auditor's report on the company's full financial statements was unqualified. Those financial statements were audited by Blick Rothenberg Audit LLP and the auditor's report thereon was signed by Nils Schmidt-Soltau (senior statutory auditor).

We draw attention to note 12 to the financial statements which explains that the directors intend to dissolve the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2.2. Our opinion is not modified in this respect of this matter.

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.