

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

Q-NOMY (UK) LIMITED



MENZIES
ACCOUNTING

Q-NOMY (UK) LIMITED

COMPANY INFORMATION

Directors

Mr S Ronald
Mr S Pearson (appointed 1 July 2017, resigned 30 November 2017)
Mr L Leach (appointed 1 July 2017)
Mr A Hart (appointed 1 July 2017)

Registered number

06460227

Registered office

Technology House
48-54 Goldsworth Road
Woking
Surrey
GU21 6LE

Auditor

Menzies LLP
Chartered Accountants
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

Q-NOMY (UK) LIMITED

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Q-NOMY (UK) LIMITED
REGISTERED NUMBER:06460227

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	Restated 2016 £
Fixed assets			
Tangible assets	3	27,655	34,168
		<u>27,655</u>	<u>34,168</u>
Current assets			
Debtors: amounts falling due within one year	4	404,628	959,347
Cash at bank and in hand		117,146	74,100
		<u>521,774</u>	<u>1,033,447</u>
Creditors: amounts falling due within one year	5	(896,061)	(724,561)
Net current (liabilities)/assets		<u>(374,287)</u>	<u>308,886</u>
Total assets less current liabilities		<u>(346,632)</u>	<u>343,054</u>
Provisions for liabilities			
Deferred tax		(3,321)	(4,114)
		<u>(3,321)</u>	<u>(4,114)</u>
Net assets		<u>(349,953)</u>	<u>338,940</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account	6	(350,953)	337,940
		<u>(349,953)</u>	<u>338,940</u>

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 statement of income and retained earnings 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:



 Mr A Hart
 Director

Date: 25/7/18

The notes on pages 2 to 6 form part of these financial statements.

Q-NOMY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

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

Q-Nomy (UK) Limited is a private limited company limited by shares, incorporated in the United Kingdom under the Companies Act 2006. The address of the Company's principle place of business is shown on the Company information page.

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

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:

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.

2.3 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:

Equipment	-	25% Straight line
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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 Income Statement.

Q-NOMY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 the Income Statement 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 Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income Statement within 'other operating income'.

2.7 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 Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Q-NOMY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 reporting 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 Statement of financial position 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 reporting date.

3. Tangible assets

	Equipment £
Cost or valuation	
At 1 January 2017	114,287
Additions	8,403
At 31 December 2017	122,690
Depreciation	
At 1 January 2017	80,119
Charge for the year on owned assets	14,916
At 31 December 2017	95,035
Net book value	
At 31 December 2017	27,655
At 31 December 2016	34,168

Q-NOMY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

4. Debtors

	2017 £	Restated 2016 £
Trade debtors	134,418	593,824
Amounts owed by group undertakings	143,761	-
Other debtors	36,034	64,024
Prepayments and accrued income	90,415	301,499
	<u>404,628</u>	<u>959,347</u>

5. Creditors: Amounts falling due within one year

	2017 £	Restated 2016 £
Trade creditors	38,459	65,071
Amounts owed to group undertakings	-	87,167
Other taxation and social security	120,872	138,888
Other creditors	2,797	5,161
Accruals and deferred income	733,933	428,274
	<u>896,061</u>	<u>724,561</u>

6. Reserves

Profit and loss account

This reserve records accumulated profits and losses.

7. Prior year adjustment

The comparatives for 2016 have reallocated £255,222 of computer hosting expenses from administration expenses to cost of sales as these expenses relate directly to client hosting. This restatement has not impacted on the profit and loss reserves brought forward.

The comparatives for 2016 have also been corrected to include deferred income of £78,738, this has decreased sales by £78,738 and increased accruals and deferred income by the same amount. This restatement has resulted in the profit and loss reserves brought forward decreasing by the same amount.

Q-NOMY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

8. Related party transactions

At the year end the company was due £126,812 from Q-Nomy Inc (2016: £87,167 was due to Q-Nomy Inc) and £17,098 was due from Q-Nomy Canada Inc (2016: £Nil). During the year the company has accrued for costs totalling £177,633 (2016: £223,059) from Callflow Software Ltd. At the year end the company had accruals in relation to invoices due from Callflow Software Ltd totalling £400,693 (2016: £223,059).

Q-Nomy Inc is the company's parent company and Q-Nomy Canada Inc and Callflow Software Ltd are both wholly owned subsidiaries of Q-Nomy Inc.

9. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2017 was unqualified.

The audit report was signed by ANDREW COOK FCA (Senior statutory auditor) on behalf of Menzies LLP.