

Fox Greece

Registered number
09138679

Quality & Reliability UK Limited

Report and Accounts

31 December 2016

Quality & Reliability UK Limited
Report and interim financial information
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**Quality & Reliability UK Limited
Company Information**

Directors

Panagiotis Paschalakis
Emmanouil Xionis
Nikolaos Paschalakis
Theodoros Karagiannis

Auditors

Nicholas Peters & Co Limited
1st Floor North, Devonshire House
1 Devonshire Street
London
W1W 5DS

Registered office

1st Floor North, Devonshire House
1 Devonshire Street
London
W1W 5DS

Registered number

09138679

Country of Incorporation

England & Wales

Quality & Reliability UK Limited

Registered number: 09138679

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2016.

Principal activities

The company's principal activity during the period was that of a holding company investing in software development entities.

Directors

The following persons served as directors during the year:

Panagiotis Paschalakis
Emmanouil Xionis
Nikolaos Paschalakis
Theodoros Karagiannis

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Directors have elected to prepare the financial statements in accordance with the International Financial Reporting Standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the applicable law. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Quality & Reliability UK Limited

Registered number: 09138679

Directors' Report

Statement of disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 3 April 2017 and signed on its behalf.

Panagiotis Paschalakis
Director



Quality & Reliability UK Limited
Independent auditors' report
to the member of Quality & Reliability UK Limited

We have audited the financial statements of Quality & Reliability UK Limited for the period ended 31 December 2016 which comprise the Statement of Financial Position, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

This report is made solely to the company's members, as a body. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the interim financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union.
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of €232,472 during the year ended 31 December 2016 and, at the date, although the company's total assets exceeded its current liabilities by €1,094,638, it had net liabilities of €705,362. These conditions, along with the other matters explained in note 1 of the financial statements, indicates the existence of material uncertainty which may cast significant doubt about the company's ability to continue as going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the financial statements, the company in addition to applying IFRSs as adopted by the European Union has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

Separate opinion in relation to other matters prescribed by the Companies Act 2006

in our opinion, based on the work undertaken in the course of the audit:

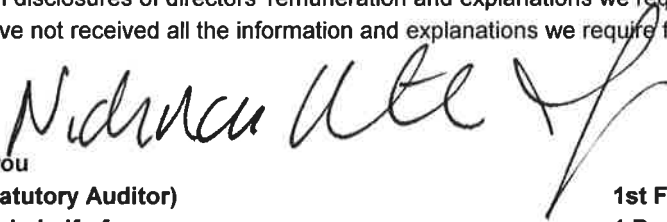
- the information given in the Strategic Report & Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report & the Directors' Report have been prepared in accordance with applicable legal requirements.
- In the light of our knowledge and understanding of the company and its environment obtained in the course of audit, we have not identified material misstatements in the Strategic Report & the Directors' Report.

Quality & Reliability UK Limited
Independent auditors' report
to the member of Quality & Reliability UK Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration and explanations we require for our audit; or
- we have not received all the information and explanations we require for audit.



Peter Petrou
(Senior Statutory Auditor)
for and on behalf of
Nicholas Peters & Co Limited
Accountants and Statutory Auditors
3 April 2017

1st Floor North, Devonshire House
1 Devonshire Street
London

W1W 5DS

Quality & Reliability UK Limited
Statement of Profit or loss and other comprehensive income
for the period ended 31 December 2016

	Notes	2016 €	2015 €
Administrative expenses		(89,836)	(111,671)
Loss from operations	2	<u>(89,836)</u>	<u>(111,671)</u>
Finance costs	3	(142,636)	(156,473)
Loss before tax		<u>(232,472)</u>	<u>(268,144)</u>
Taxes	4	-	-
Loss for the period from continuing operations		<u>(232,472)</u>	<u>(268,144)</u>
Discontinued operations			
Profit for the period from discontinued operations		-	-
Loss and total comprehensive income		<u>(232,472)</u>	<u>(268,144)</u>

Discontinued operations : there are none

Quality & Reliability UK Limited
Statement of financial position
as at 31 December 2016

	Notes	2016 €	2015 €
Current assets			
Trade and other receivables	5	955,207	1,609,036
Cash and cash equivalents		201,069	112,187
		1,156,276	1,721,223
Current liabilities			
Trade & other payables	6	(61,638)	(94,113)
Net current assets		1,094,638	1,627,110
Total assets less current liabilities		1,094,638	1,627,110
Non current liabilities			
Long-term borrowings		(1,800,000)	(2,100,000)
Net assets		<u>(705,362)</u>	<u>(472,890)</u>
Equity			
Share capital	8	1	1
Retained earnings	9	(705,363)	(472,891)
Total equity		<u>(705,362)</u>	<u>(472,890)</u>

The financial statements were approved and authorised for issue by the Board on

Panagiotis Paschalakis
Director
Signed on behalf of the board on 3 April 2017




Quality & Reliability UK Limited
Statement of changes in equity
as at 31 December 2016

	Share Capital €	Retained earnings €	Total equity €
Balance as at 1 January 2015	1	(204,747)	(204,746)
Loss for the year	-	(268,144)	(268,144)
Balance as at 31 December 2015	<u>1</u>	<u>(472,891)</u>	<u>(472,890)</u>
Balance as at 1 January 2016	1	(472,891)	(472,890)
Loss for the year	-	(232,472)	(232,472)
Balance at 31 December 2016	<u>1</u>	<u>(705,363)</u>	<u>(705,362)</u>

Quality & Reliability UK Limited
Statement of cash flows
for the period ended 31 December 2016

	Notes	2016 €	2015 €
Cash flow from operating activities			
Loss from operations		(89,836)	(111,671)
Decrease/(increase) in trade and other receivables		653,829	(1,209,035)
Decrease in trade & other payables		(332,475)	(5,896)
		<hr/>	<hr/>
Cash generated from operations		231,518	(1,326,602)
Interest paid	11	(142,636)	(156,473)
interest received		-	-
Taxes paid	4	-	-
		<hr/>	<hr/>
Increase/(net decrease) in cash and cash equivalents		88,882	(1,483,075)
Cash and cash equivalents at the beginning of the period		112,187	1,595,262
Cash and cash equivalents at the end of the period		<hr/> 201,069	<hr/> 112,187

Quality & Reliability UK Limited
Notes to the Accounts
for the year ended 31 December 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. The financial statements have been prepared using the historical cost convention except if disclosed in the accounting policies below if shown at fair value.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in future, such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

The company's ability to continue as a going concern is dependant upon support from parent company.

The company has not started to make any sales and there is uncertainty regarding future sales considering its business activity. The parent company has proven track records and prepared financial projections which show their belief that the company will continue to have adequate resources to meet its liabilities when they fall due and they consider it appropriate to prepare the financial statements on the going concern basis.

The financial statements relate to the entity only, are presented in pounds sterling for filing at Companies House and in Euros for management purpose and there is not any level of rounding. The company functional currency is €.

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 not recognised until the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

Borrowings

Borrowings are classified as originated loans and are recognised initially at an amount equal to the proceeds received, net of transaction costs incurred. In subsequent periods, they are stated at amortised cost using the effective yield method: any difference between proceeds (net of transactions costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings.

Quality & Reliability UK Limited
Notes to the Accounts
for the year ended 31 December 2016

Fair values

Fair value is the amount for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the interim financial statements.

Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.

2 Auditors' remuneration

	2016	2015
	€	€

This is stated after charging:

Fees payable to the company's auditor for the audit of the company's accounts	4,440	5,516
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Fees payable to the company's auditor for other services.	8,513	8,652
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3 Finance costs

	2016	2015
	€	€

Other interest expenses	142,636	156,473
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Quality & Reliability UK Limited
Notes to the Accounts
for the year ended 31 December 2016

4 Income taxes	2016	2015
	€	€
Income tax recognised in profit or loss		
Tax on profit on ordinary activities	-	-

The total charge for the period can be reconciled to the accounting profit as follows:

	2016	2015
	€	€
Loss on ordinary activities before tax	(232,472)	(268,144)
Standard rate of corporation tax in the UK	20%	20%
	€	€
Profit on ordinary activities multiplied by the standard rate of corporation tax	(46,494)	(53,629)
Effects of:		
Utilisation of tax losses	46,494	53,629
Current tax charge for period	-	-

5 Trade and other receivables	2016	2015
	€	€
Amounts owed by group undertakings and undertakings in which the company has a participating interest	950,000	1,600,102
Other debtors	-	1,112
Prepayments and accrued income	5,207	7,822
	955,207	1,609,036

6 Trade and other payables	2016	2015
	€	€
Trade payables	6,263	10,075
Accruals	55,375	84,038
	61,638	94,113

Quality & Reliability UK Limited
Notes to the Accounts
for the year ended 31 December 2016

7 Borrowings	2016	2015
	€	€
Summary of borrowing arrangements:		
Secured - at amortised cost		
Loan notes	<u>1,800,000</u>	<u>2,100,000</u>
Analysis of maturity of debt:		
Between one and two years	<u>1,800,000</u>	<u>2,100,000</u>

The loan notes totalling €1.5M are secured by the Quality & Reliability SA (parent company) and Digibooks4all S.A. pay an annual not compounded interest at 6.00% which will be repaid in 2020. The further loan notes of €300,000 (no guarantees given) issued in December 2016 which will be repaid in April 2017.

8 Issued capital	Nominal value	2016 Number	2016	2015
			€	€
Fully paid:				
Ordinary shares	€1 each	1	<u>1</u>	<u>1</u>

9 Retained earning and dividends	2016
	€
At 1 January 2016	(472,891)
Loss for the financial year	(232,472)
Balance at end of year	<u>(705,363)</u>

10 Reconciliation of movement in shareholder's funds	2016	2015
	€	€
At 1 January	(472,890)	(204,746)
Loss for the financial year	(232,472)	(268,144)
At 31 December	<u>(705,362)</u>	<u>(472,890)</u>

Quality & Reliability UK Limited
Notes to the Accounts
for the year ended 31 December 2016

11 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2016	2015
	€	€
Cash and cash equivalents	201,069	112,187

12 Related party transactions

2016	2015
€	€

Quality & Reliability S.A.

Shareholder

During the period the company gave a loan to Quality & Reliability S.A.

Amount due from the related party	950,000	1,600,000
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13 Ultimate controlling party

The ultimate controlling party is Quality & Reliability S.A. a company incorporated in Greece at Konitsis, 11b Str, Marousi, 15125 Athens.

14 Company information

The company is a Limited company guaranteed by shares and incorporated in England and Wales. The company registered office address is 1st Floor (North), Devonshire House, 1 Devonshire Street, London, W1W 5DS. The company is domiciled in United Kingdom.

Quality & Reliability UK Limited
Detailed profit and loss account
for the year ended 31 December 2016

	2016	2015
	€	€
Administrative expenses	(89,836)	(111,671)
Operating loss	<u>(89,836)</u>	<u>(111,671)</u>
Interest payable	(142,636)	(156,473)
Loss before tax	<u>(232,472)</u>	<u>(268,144)</u>

Quality & Reliability UK Limited
Detailed profit and loss account
for the year ended 31 December 2016

	2016	2015
	€	€
Administrative expenses		
Employee costs:		
Entertaining	-	366
	-	366
General administrative expenses:		
Stationery and printing	61	25
Subscriptions	1,912	460
Bank charges	2,558	3,820
Insurance	35,201	23,698
Sundry expenses	408	5,590
	<u>40,140</u>	<u>33,593</u>
Legal and professional costs:		
Audit fees	4,440	5,516
Accountancy fees	8,513	8,652
Consultancy fees	35,000	61,836
Other legal and professional	1,743	1,708
	<u>49,696</u>	<u>77,712</u>
	<u>89,836</u>	<u>111,671</u>

Invoice To: Quality & Reliability UK Ltd
11B Konitsis street
Maroussi
Athens
15125

Date: 31/03/2017
Invoice No: 23635
Ref No: 20052
VAT NO: 235 0924 22

INVOICE

Description

In connection with the preparation and audit of the financial statements for the year ended 31 December 2016.

Preparation of CT600 for submission to HM Revenue & Customs.

Correspondence, meetings and discussions with the Directors relating to the preparation and finalisation of the accounts.

OUR FEE:

Net Total	4,000.00
VAT Total	800.00
Gross Amount	4,800.00

Bank Details:

NatWest Bank

Account number: 26698714 Sort Code: 560029

IBAN: GB17NWBK56002926698714

SWIFT: NWBKGB2L

This Bill must be paid within 30 days from its issue date. All payments must be made out to Nicholas Peters & Co Limited. Please contact accounts if you require any additional information. A list of Directors' names is available at the above address.