

Registration number: 10040671

# Quorso UK Limited

## Report and Unaudited Financial Statements

For the year ended 31 December 2019



# Quorso UK Limited

---

## Contents

Company Information	1
Report of the Directors	2
Statement of Directors' Responsibilities	3
Statement of Comprehensive Income	4
Statement of Financial Position	5 to 6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 to 15

# Quorso UK Limited

---

## Company Information

**Directors** J B Mills  
D T B Slowe

**Secretary** J B Mills

**Registered office** 60 St Martins Lane  
Convent Garden  
London  
United Kingdom  
WC2N 4JS

**Registration number** 10040671

**Accountants** Ernst and Young LLP  
16 Bedford Street  
Belfast  
BT2 7FD

## Report of the Directors for the Year Ended 31 December 2019

The directors present their report with the financial statements of the Company for the year ended 31 December 2019.

### Principal activity

The principal activity of the Company in the year under review continued to be that of management of the creation and development of a web based application.

### Directors of the Company

The directors who held office during the year were as follows:

J B Mills

D T B Slowe

### Going concern

The extent to which the coronavirus ('COVID-19') impacts the Company's ability to trade will depend on future developments, which are highly uncertain and cannot be predicted.

The directors are confident they can continue to trade despite the effects of the COVID-19 pandemic, as the Company has raised the appropriate funding between November 2019 and February 2020 which will allow the business to continue on a going concern basis.

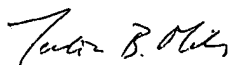
### Post balance sheet events

The extent to which COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19, the potential spread to other regions and the actions taken to contain COVID-19 or treat its impact. The directors of the Company have taken steps to mitigate the effect of COVID-19.

### Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 9 September 2020 and signed on its behalf by:



.....  
J B Mills  
Director

## Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, 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 Companies Act 2006. 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.

# Quorso UK Limited

---

## Statement of Comprehensive Income for the Year Ended 31 December 2019

	<i>Note</i>	<i>2019</i> £	<i>2018</i> £
<b>Turnover</b>		320,241	492,213
Cost of sales		<u>(114,347)</u>	<u>(125,140)</u>
<b>Gross profit</b>		205,894	367,073
Administrative expenses		(2,774,323)	(2,247,162)
Gain on disposal of fixed assets		<u>59</u>	<u>-</u>
<b>Operating loss</b>	4	(2,568,370)	(1,880,089)
Interest payable and similar expenses		<u>(1,954)</u>	<u>(4,872)</u>
<b>Loss before taxation</b>		(2,570,324)	(1,884,961)
Tax on loss		<u>386,595</u>	<u>540,412</u>
<b>Loss for the financial year</b>		<u>(2,183,729)</u>	<u>(1,344,549)</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u><u>(2,183,729)</u></u>	<u><u>(1,344,549)</u></u>

The above results were derived from continuing operations.

The Company has no other comprehensive income other than the results shown above.

The notes on pages 8 to 15 form an integral part of these financial statements.

# Quorso UK Limited

---

## Statement of Financial Position

as at 31 December 2019

Registration number: 10040671

	<i>Note</i>	<i>2019</i> £	<i>2018</i> £
<b>Fixed assets</b>			
Intangible assets	5	253,037	289,185
Tangible assets	6	<u>36,524</u>	<u>45,463</u>
		<u>289,561</u>	<u>334,648</u>
<b>Current assets</b>			
Debtors	7	502,831	459,658
Cash at bank and in hand		<u>3,904,541</u>	<u>2,211,584</u>
		4,407,372	2,671,242
<b>Creditors</b>			
Amounts falling due within one year	8	<u>(9,435,789)</u>	<u>(5,561,017)</u>
<b>Net current liabilities</b>			
		<u>(5,028,417)</u>	<u>(2,889,775)</u>
<b>Net liabilities</b>			
		<u>(4,738,856)</u>	<u>(2,555,127)</u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Retained earnings		<u>(4,738,858)</u>	<u>(2,555,129)</u>
<b>Shareholders Funds</b>			
		<u>(4,738,856)</u>	<u>(2,555,127)</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

---

The notes on pages 8 to 15 form an integral part of these financial statements.

## Statement of Financial Position

as at 31 December 2019 (continued)

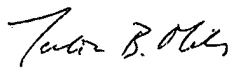
Registration number: 10040671

The directors acknowledge their responsibilities for:

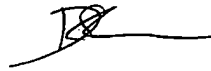
- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A.

Approved and authorised by the Board on 9 September 2020 and signed on its behalf by:



.....  
J B Mills  
Director



.....  
D T B Slowe  
Director

.....  
The notes on pages 8 to 15 form an integral part of these financial statements.

---

# Quorso UK Limited

---

## Statement of Changes in Equity

for the Year Ended 31 December 2019

	<i>Called up share capital</i> £	<i>Retained earnings</i> £	<i>Total</i> £
At 1 January 2018	2	(1,210,580)	(1,210,578)
Loss for the year	-	(1,344,549)	(1,344,549)
Total comprehensive income	-	(1,344,549)	(1,344,549)
<b>At 31 December 2018</b>	<b>2</b>	<b>(2,555,129)</b>	<b>(2,555,127)</b>
At 1 January 2019	2	(2,555,129)	(2,555,127)
Loss for the year	-	(2,183,729)	(2,183,729)
Total comprehensive income	-	(2,183,729)	(2,183,729)
<b>At 31 December 2019</b>	<b>2</b>	<b>(4,738,858)</b>	<b>(4,738,856)</b>

The notes on pages 8 to 15 form an integral part of these financial statements.

## Notes to the Financial Statements

for the Year Ended 31 December 2019

### 1 Statutory information

Quorso UK Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The presentational currency of the financial statements is Pounds Sterling (£) and all amounts are rounded to the nearest pound.

### 2 Accounting policies

#### ***Basis of preparing the financial statements***

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### ***Going concern***

The extent to which the coronavirus ('COVID-19') impacts the Company's ability to trade will depend on future developments, which are highly uncertain and cannot be predicted.

The directors are confident they can continue to trade despite the effects of the COVID-19 pandemic, as the Company has raised the appropriate funding between November 2019 and February 2020 which will allow the business to continue on a going concern basis.

#### ***Significant judgements and estimates***

Preparation of the financial statements requires management to make significant judgements and estimates. There are no material items in the financial statements where these judgement and estimates have been made.

#### ***Turnover***

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales value added tax, returns, rebates and discounts.

The Company recognises turnover when:

- The amount of turnover can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the Company's activities.

## Notes to the Financial Statements

for the Year Ended 31 December 2019 (continued)

### 2 Accounting policies (continued)

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The software platform is being amortised evenly over its estimated useful life of ten years.

#### **Tangible fixed assets**

Tangible assets are initially measured at cost. After initial recognition, tangible assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	25% on cost Straight Line
Computer equipment	33% on cost Straight Line

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Financial instruments**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtors.

Other short term debtors are measured at transaction price, less any impairment.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Other short-term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

## Notes to the Financial Statements

for the Year Ended 31 December 2019 (continued)

### 2 Accounting policies (continued)

#### *Financial instruments (continued)*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### *Taxation*

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date.

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 is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### *Research and development*

Expenditure on research and development is written off in the year in which it is incurred, until such a point as when the project is able to clearly demonstrate with no uncertainty that it is commercially viable, and will generate future economic benefits, at which point it is recognised as an intangible asset.

#### *Foreign currencies*

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Statement of Financial Position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### *Hire purchase and leasing commitments*

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

## Notes to the Financial Statements

for the Year Ended 31 December 2019 (continued)

### 2 Accounting policies (continued)

#### *Defined contribution pension obligation*

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions, even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expenses when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Employees and directors

The average number of employees (including directors) during the year, was 19 (2018 - 19).

### 4 Operating loss

The operating loss is stated after charging:

	2019	2018
	£	£
Depreciation and amortisation costs	58,431	49,063
Foreign exchange (gains)/losses	(380)	1,300
Gain on disposal of fixed assets	<u>(59)</u>	<u>-</u>

**Notes to the Financial Statements**  
for the Year Ended 31 December 2019 (continued)

**5 Intangible fixed assets**

	<i>2019</i> £
<b>Cost</b>	
At 1 January 2019	361,481
Additions	-
At 31 December 2019	<u>361,481</u>
<b>Amortisation</b>	
At 1 January 2019	72,296
Amortisation charge	36,148
At 31 December 2019	<u>108,444</u>
<b>Net Book Value</b>	
At 31 December 2019	<u><u>253,037</u></u>
At 31 December 2018	<u><u>289,185</u></u>

**Notes to the Financial Statements**  
for the Year Ended 31 December 2019 (continued)

**6 Tangible assets**

	<i>Fixtures and fittings</i> £	<i>Computer Equipment</i> £	<i>Total</i> £
<b>Cost</b>			
At 1 January 2019	1,802	58,046	59,848
Additions	553	12,850	13,403
Disposals	(69)	-	(69)
At 31 December 2019	<u>2,286</u>	<u>70,896</u>	<u>73,182</u>
<b>Depreciation</b>			
At 1 January 2019	540	13,845	14,385
Charge for the year	393	21,890	22,283
Eliminated on disposal	(10)	-	(10)
At 31 December 2019	<u>923</u>	<u>35,735</u>	<u>36,658</u>
<b>Net Book Value</b>			
At 31 December 2019	<u>1,363</u>	<u>35,161</u>	<u>36,524</u>
At 31 December 2018	<u>1,262</u>	<u>44,201</u>	<u>45,463</u>

**7 Debtors: amounts falling due within one year**

	<i>2019</i> £	<i>2018</i> £
Trade debtors	83,715	86,000
Research and development tax credit	386,595	342,768
Accrued income	28,274	30,890
Other debtors	4,247	-
	<u>502,831</u>	<u>459,658</u>

# Quorso UK Limited

---

## Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

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

	2019 £	2018 £
Trade creditors	104,780	61,551
Amounts owed to group undertakings	9,047,035	5,258,542
Taxation and social security	42,933	61,386
Other creditors	4,145	3,122
Directors' current accounts	2,511	2,477
Directors' loan accounts	175,893	173,939
Accruals and deferred income	58,492	-
	<u>9,435,789</u>	<u>5,561,017</u>

### 9 Leasing arrangements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	<u>-</u>	<u>63,361</u>

### 10 Share capital

*Allotted, called up and fully paid shares*

	2019 No.	2019 £	2018 No.	2018 £
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 11 Related party transactions

The Company has taken advantage of the exemptions conferred by Section 33 and has not disclosed related party transaction for wholly owned companies within the group.

## **Notes to the Financial Statements**

for the Year Ended 31 December 2019 (continued)

### **12 Parent and ultimate parent undertaking**

Quorso Global Inc., a company registered in the United States of America, is considered by the directors to be the Company's ultimate and immediate parent company.

The results of the Company for the period ended 31 December 2019 were not consolidated in the financial statements of Quorso Global Inc.

### **13 Events after reporting year**

The extent to which COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19, the potential spread to other regions and the actions taken to contain COVID-19 or treat its impact. The directors of the Company have taken steps to mitigate the effect of COVID-19.