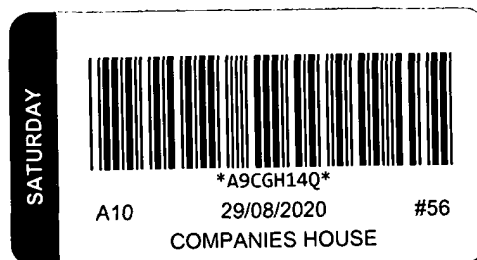


AMENDED

Report of the Directors and
Audited
Consolidated Financial Statements
for the Year Ended 31st December 2019
for
Quality Clouds Ltd



Quality Clouds Ltd

Contents of the Consolidated Financial Statements
for the Year Ended 31st December 2019

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Quality Clouds Ltd

Company Information
for the Year Ended 31st December 2019

DIRECTORS:

A Franquesa Ribe
A Marquez Hurtado
M Montserrat Puig Ponsico
A Gomez
J I Tepper

REGISTERED OFFICE:

20-22 Wenlock Road
London
N1 7GU

REGISTERED NUMBER:

09522753 (England and Wales)

AUDITORS:

Meyer Williams
Chartered Accountants
& Statutory Auditors
Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA

Quality Clouds Ltd

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

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2019.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of computer software support and development.

RESEARCH AND DEVELOPMENT

The group and its subsidiary company continue to undertake research and development activities to further assist in enhancing the wider software market.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2019 to the date of this report.

A Franquesa Ribe
A Marquez Hurtado
M Montserrat Puig Ponsico

Other changes in directors holding office are as follows:

P Mayol De Tord - resigned 18th November 2019
A Gomez - appointed 18th November 2019

J I Tepper was appointed as a director after 31st December 2019 but prior to the date of this report.

GOING CONCERN

In assessing the company and the group's financial position, the directors have considered the impact of the current coronavirus outbreak (COVID-19). While there is uncertainty about the effect that COVID-19 will have on the global economy, the directors do not believe it impacts the use of the going concern basis of preparation nor does it cast significant doubt about the company or the group's ability to continue as a going concern. The directors are of the opinion that the company and the group will have sufficient resources to continue in operational existence for the foreseeable future and have therefore adopted the going concern basis of accounting in preparing the annual financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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 the group and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Quality Clouds Ltd

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Meyer Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:



.....
A Franquesa Ribe - Director

Date: 20th August 2020

Report of the Independent Auditors to the Members of
Quality Clouds Ltd

Opinion

We have audited the financial statements of Quality Clouds Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st December 2019 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. 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 and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Quality Clouds Ltd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

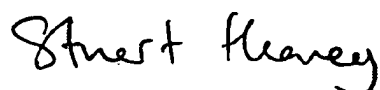
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Other matters

The comparative figures are unaudited.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.



Stuart Heaney (Senior Statutory Auditor)
for and on behalf of Meyer Williams
Chartered Accountants & Statutory Auditors
Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA

Date: 21st August 2020

Quality Clouds Ltd

Consolidated Statement of Profit or Loss
for the Year Ended 31st December 2019

	Notes	Year Ended 31.12.19 £	Period 1.5.18 to 31.12.18 as restated £
CONTINUING OPERATIONS			
Revenue	3	427,093	82,153
Cost of sales		<u>(23,000)</u>	<u>-</u>
GROSS PROFIT		404,093	82,153
Administrative expenses		<u>(1,057,436)</u>	<u>(454,373)</u>
OPERATING LOSS		(653,343)	(372,220)
Finance costs	5	(8,293)	(289)
Finance income	5	<u>43</u>	<u>19</u>
LOSS BEFORE INCOME TAX	6	(661,593)	(372,490)
Income tax	7	<u>43,914</u>	<u>89,757</u>
LOSS FOR THE YEAR		<u>(617,679)</u>	<u>(282,733)</u>
Loss attributable to: Owners of the parent		<u>(617,679)</u>	<u>(282,733)</u>

The notes form part of these financial statements

Quality Clouds Ltd

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31st December 2019

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
LOSS FOR THE YEAR	(617,679)	(282,733)
OTHER COMPREHENSIVE INCOME		
Item that may be reclassified subsequently to profit or loss:		
Exchange difference on consolidation	(1,322)	819
Income tax relating to item that may be reclassified subsequently to profit or loss	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(1,322)</u>	<u>819</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(619,001)	<u>(281,914)</u>
Prior year adjustment	(14,400)	
	Note 9	
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT	<u>(633,401)</u>	
Total comprehensive income attributable to: Owners of the parent	<u>(633,401)</u>	<u>(281,914)</u>

The notes form part of these financial statements

Quality Clouds Ltd (Registered number: 09522753)

Consolidated Statement of Financial Position
31st December 2019

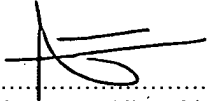
	Notes	31.12.19 £	31.12.18 as restated £	1.5.18 £
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	10	16,730	10,614	13,847
Investments	11	-	-	-
		<u>16,730</u>	<u>10,614</u>	<u>13,847</u>
CURRENT ASSETS				
Trade and other receivables	12	130,842	77,993	23,929
Tax receivable		65,625	53,279	-
Cash and cash equivalents	13	809,292	10,255	177,719
		<u>1,005,759</u>	<u>141,527</u>	<u>201,648</u>
TOTAL ASSETS		<u>1,022,489</u>	<u>152,141</u>	<u>215,495</u>
EQUITY				
SHAREHOLDERS' EQUITY				
Called up share capital	14	2	1	1
Share premium	15	1,699,959	473,633	451,343
Other reserves	15	(623)	699	(120)
Retained earnings	15	(1,226,402)	(608,723)	(325,990)
TOTAL EQUITY		<u>472,936</u>	<u>(134,390)</u>	<u>125,234</u>
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial liabilities - borrowings				
Interest bearing loans and borrowings	17	14,410	22,909	-
CURRENT LIABILITIES				
Trade and other payables	16	504,144	256,316	90,261
Financial liabilities - borrowings				
Interest bearing loans and borrowings	17	22,858	7,306	-
Tax payable		8,141	-	-
		<u>535,143</u>	<u>263,622</u>	<u>90,261</u>
TOTAL LIABILITIES		<u>549,553</u>	<u>286,531</u>	<u>90,261</u>
TOTAL EQUITY AND LIABILITIES		<u>1,022,489</u>	<u>152,141</u>	<u>215,495</u>

The notes form part of these financial statements

Quality Clouds Ltd (Registered number: 09522753)

Consolidated Statement of Financial Position - continued
31st December 2019

The financial statements were approved by the Board of Directors and authorised for issue on 20th August 2020 and were signed on its behalf by:

A handwritten signature in black ink, consisting of a vertical line on the left, a horizontal line across the top, and a large, stylized loop on the right.

.....
A Franquesa Ribe - Director

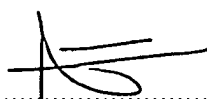
The notes form part of these financial statements

Quality Clouds Ltd (Registered number: 09522753)

Company Statement of Financial Position
31st December 2019

	Notes	31.12.19 £	31.12.18 as restated £	1.5.18 £
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	10	7,867	2,207	2,808
Investments	11	<u>3,011</u>	<u>3,011</u>	<u>3,011</u>
		<u>10,878</u>	<u>5,218</u>	<u>5,819</u>
CURRENT ASSETS				
Trade and other receivables	12	119,860	65,814	6,488
Tax receivable		65,625	53,279	-
Cash and cash equivalents	13	<u>789,967</u>	<u>7,876</u>	<u>172,326</u>
		<u>975,452</u>	<u>126,969</u>	<u>178,814</u>
TOTAL ASSETS		<u>986,330</u>	<u>132,187</u>	<u>184,633</u>
EQUITY				
SHAREHOLDERS' EQUITY				
Called up share capital	14	2	1	1
Share premium	15	1,699,959	473,633	451,343
Retained earnings	15	<u>(1,251,010)</u>	<u>(613,466)</u>	<u>(344,513)</u>
TOTAL EQUITY		<u>448,951</u>	<u>(139,832)</u>	<u>106,831</u>
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	16	522,375	272,019	77,802
Financial liabilities - borrowings				
Interest bearing loans and borrowings	17	<u>15,004</u>	-	-
		<u>537,379</u>	<u>272,019</u>	<u>77,802</u>
TOTAL LIABILITIES		<u>537,379</u>	<u>272,019</u>	<u>77,802</u>
TOTAL EQUITY AND LIABILITIES		<u>986,330</u>	<u>132,187</u>	<u>184,633</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20th August 2020 and were signed on its behalf by:


.....
A Franquesa Ribe - Director

The notes form part of these financial statements

Quality Clouds Ltd

Consolidated Statement of Changes in Equity
for the Year Ended 31st December 2019

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1st May 2018	1	(325,990)	451,343	(120)	125,234
Changes in equity					
Deficit for the period	-	(268,333)	-	-	(268,333)
Other comprehensive income	-	-	-	819	819
Total comprehensive income	-	(268,333)	-	819	(267,514)
Issue of share capital	-	-	22,290	-	22,290
Balance at 31st December 2018	<u>1</u>	<u>(594,323)</u>	<u>473,633</u>	<u>699</u>	<u>(119,990)</u>
Prior year adjustment	-	(14,400)	-	-	(14,400)
As restated	<u>1</u>	<u>(608,723)</u>	<u>473,633</u>	<u>699</u>	<u>(134,390)</u>
Changes in equity					
Deficit for the year	-	(617,679)	-	-	(617,679)
Other comprehensive income	-	-	-	(1,322)	(1,322)
Total comprehensive income	-	(617,679)	-	(1,322)	(619,001)
Issue of share capital	1	-	1,226,326	-	1,226,327
Balance at 31st December 2019	<u><u>2</u></u>	<u><u>(1,226,402)</u></u>	<u><u>1,699,959</u></u>	<u><u>(623)</u></u>	<u><u>472,936</u></u>

The notes form part of these financial statements

Quality Clouds Ltd

Company Statement of Changes in Equity
for the Year Ended 31st December 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st May 2018	1	(344,513)	451,343	106,831
Changes in equity				
Issue of share capital	-	-	22,290	22,290
Total comprehensive income	-	(254,553)	-	(254,553)
Balance at 31st December 2018	<u>1</u>	<u>(599,066)</u>	<u>473,633</u>	<u>(125,432)</u>
Prior year adjustment	-	(14,400)	-	(14,400)
As restated	<u>1</u>	<u>(613,466)</u>	<u>473,633</u>	<u>(139,832)</u>
Changes in equity				
Issue of share capital	1	-	1,226,326	1,226,327
Total comprehensive income	-	(637,544)	-	(637,544)
Balance at 31st December 2019	<u><u>2</u></u>	<u><u>(1,251,010)</u></u>	<u><u>1,699,959</u></u>	<u><u>448,951</u></u>

The notes form part of these financial statements

Quality Clouds Ltd

Consolidated Statement of Cash Flows
for the Year Ended 31st December 2019

		Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(449,895)	(256,157)
Interest paid		(8,293)	(289)
Taxation refund		<u>39,723</u>	<u>36,478</u>
Net cash from operating activities		<u>(418,465)</u>	<u>(219,968)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(11,076)	(83)
Interest received		<u>43</u>	<u>19</u>
Net cash from investing activities		<u>(11,033)</u>	<u>(64)</u>
 Cash flows from financing activities			
Loans in year		25,500	31,394
Loan repayments in year		(18,468)	(1,122)
Amount introduced by directors		-	6
Amount withdrawn by directors		(4,824)	-
Share issue		<u>1,226,327</u>	<u>22,290</u>
Net cash from financing activities		<u>1,228,535</u>	<u>52,568</u>
 Increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	10,255	177,719
Cash and cash equivalents at end of year	2	<u>809,292</u>	<u>10,255</u>

The notes form part of these financial statements

Quality Clouds Ltd

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31st December 2019

1. **RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
Loss before income tax	(661,593)	(372,490)
Depreciation charges	4,960	3,316
Foreign exchange movement	(1,322)	819
Finance costs	8,293	289
Finance income	<u>(43)</u>	<u>(19)</u>
	(649,705)	(368,085)
Increase in trade and other receivables	(52,849)	(54,121)
Increase in trade and other payables	<u>252,659</u>	<u>166,049</u>
Cash generated from operations	<u>(449,895)</u>	<u>(256,157)</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31st December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	<u>809,292</u>	<u>10,255</u>

Period ended 31st December 2018

	31.12.18 as restated	1.5.18
	£	£
Cash and cash equivalents	<u>10,255</u>	<u>177,719</u>

The notes form part of these financial statements

Quality Clouds Ltd

Notes to the Consolidated Financial Statements
for the Year Ended 31st December 2019

1. **STATUTORY INFORMATION**

Quality Clouds Ltd 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 General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparation

The parent company and consolidated financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using International Financial Reporting Standards (IFRS) and the relevant Interpretations, as issued by the IFRS Interpretations Committee (IFRSIC), and adopted by the European Union ("EU"). The consolidated financial statements have been prepared on a historical cost basis and are presented in pound sterling ("Sterling") which is the company's functional and presentational currency with all values rounded to the nearest pound. The subsidiary of the Group presents their financial statements in euros, and are translated into Sterling on consolidation.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates and assumptions. Additionally, it requires management's judgement to implement the group's accounting policies. Accounting policies have been applied consistently, other than where new policies have been adopted. The estimates and assumptions are made to the best of management's knowledge in the current circumstances.

This is the first year in which the financial statements have been prepared under IFRS. An explanation of how the transition to IFRS has affected the reported financial position and performance is given in notes to the financial statements. The date of transition is 1st May 2018.

Going concern

The directors have a reasonable expectation that the company and the group will have adequate resources to continue in operational existence for the foreseeable future. In making this assessment the directors have considered the impact of the current coronavirus outbreak (COVID-19) on the group, its employees, clients and suppliers.

While there is uncertainty about the impact that COVID-19 will have on the global economy the directors do not believe it impacts the use of the going concern basis of preparation nor does it cast significant doubt about the company or the group's ability to continue as a going concern for a period of twelve months from the date of the financial statements being authorised for issue.

The directors consider the company and the group to be sufficiently robust that their operations will not be significantly affected and that they will be able to generate and maintain sufficient levels of cash in order to meet their overhead commitments for at least the period under review. The company and the group therefore continue to adopt the going concern basis in preparing their financial statements.

Standards issued but not yet effective and not early adopted

The following standards have been issued, amended or clarified but are not yet effective and have not been early adopted in preparing these financial statements:

Standard	Date adoption required and planned
IFRS 3 (amendments) - definition of a business	1.1.20
IAS 1 and IAS 8 (amendments) - new definition of material	1.1.20
IFRS 9, IAS 39 and IFRS 7 (amendments) - Interest rate benchmark reform	1.1.20
IFRS 17 - Insurance Contracts	1.1.23

Management has assessed that the above changes to the standards are not expected to have a material impact on the financial position or financial performance of the LLP.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

2. **ACCOUNTING POLICIES - continued**

Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its wholly owned subsidiary Quality Clouds S.L.

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany balances, transactions and any intercompany profits or losses are eliminated in the consolidated financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates. In the opinion of the directors, there are no areas where management judgements have had a significant effect on amounts recognised in the financial statements.

Revenue recognition

Revenue represents amounts receivable in respect of services provided during the year, excluding value added tax ("VAT"). Revenue is measured by reference to the fair value of the consideration received or receivable by the company for the services provided, excluding VAT. For contracts with customers that stipulate the service will be provided over a period of time, the fair value of the contract is assessed and split equally over the term of the contract. Revenue is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and when the costs incurred or to be incurred can be measured reliably.

Operating expenses

Operating expenses are recognised in the income statement on utilisation of the service or a the date of their origin.

Borrowing Costs

Borrowing costs are comprised of interest charges on the Group's borrowings and are recognised as an expense incurred and are included in "Financial costs" in the income statement using the effective interest rate method.

The effective interest rate method estimates the amortised cost of a liability and the allocation of interest the charges over the relevant period. The effective interest rate is the rate which is used to discount future payments in cash accurately, during the expected useful life of the financial instrument or, if required, for a shorter period, in the net carrying value of the financial liability.

Property, plant and equipment

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

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the income statement within other operating income or the relevant expense item.

Individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Investments

Investments in subsidiary undertakings are included in the parent company's financial statements at cost and adjusted for any impairment where necessary.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are 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 income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Receivables

Basic financial assets, including trade and other receivables, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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.

Payables

Basic financial liabilities, including trade and other payables, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

Share capital

Share capital comprises the ordinary shares of the company which are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

2. **ACCOUNTING POLICIES – continued**

Retained earnings

Retained earnings include all current and prior period retained profits and losses after any distributions.

Taxation

Taxation expense for the period comprises current and deferred income tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

Current income tax

Current income tax is the amount of corporation tax payable in respect of the taxable profit for the period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income 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 the periods different from those in which they are recognised in the financial statements.

Deferred income tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Product development

Expenditure on product development is written off in the period in which it is incurred.

Foreign currencies

Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in sterling, which is the functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss, within finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into sterling at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

2. **ACCOUNTING POLICIES - continued**

Employee benefit costs

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

3. **REVENUE**

Revenue from contracts with customers

The revenue and profit for the financial year are attributable to the group's principal activity of providing computer software support and development services to clients.

The geographical split of turnover is as follows:

	31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
United Kingdom	94,287	23,254
Europe	228,957	36,775
Rest of World	<u>140,914</u>	<u>22,124</u>
	<u>427,093</u>	<u>82,153</u>

4. **EMPLOYEES AND DIRECTORS**

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
Wages and salaries	479,948	256,988
Social security costs	69,623	46,557
Other pension costs	<u>6,183</u>	<u>1,999</u>
	<u>555,754</u>	<u>305,544</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

4. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
Directors	4	4
Staff	<u>13</u>	<u>9</u>
	<u>17</u>	<u>13</u>

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
Directors' remuneration	£ <u>81,281</u>	£ <u>53,333</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

5. **NET FINANCE COSTS**

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
Finance income:	£	£
Deposit account interest	<u>43</u>	<u>19</u>
Finance costs:		
Bank interest	16	-
Loan interest	<u>8,277</u>	<u>289</u>
	<u>8,293</u>	<u>289</u>
Net finance costs	<u>8,250</u>	<u>270</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

6. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging:

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
Depreciation - owned assets	4,960	3,316
Auditors' remuneration	11,163	-
Foreign exchange differences	1,629	38
Research and development expenditure	<u>196,776</u>	<u>120,639</u>

7. **INCOME TAX**

Analysis of tax income

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
Current tax:		
Tax	(56,960)	(53,279)
Adjustments to previous years	<u>13,046</u>	<u>(36,478)</u>
 Total tax income in consolidated statement of profit or loss	 <u>(43,914)</u>	 <u>(89,757)</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

7. **INCOME TAX - continued**

Factors affecting the tax expense

The tax assessed for the year is higher (2018 - lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
Loss before income tax	<u>(661,593)</u>	<u>(372,490)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(125,703)	(70,773)
Effects of:		
Expenses not deductible for tax purposes	12,474	1,269
Depreciation in excess of capital allowances	(1,076)	114
Enhanced Research and Development relief	(48,604)	(40,226)
R&D tax rate adjustment	20,368	12,487
Over/(under)provision from prior period	13,046	(36,478)
Difference in subsidiary tax rate	2,080	-
Losses carried forward	<u>83,501</u>	<u>43,850</u>
Tax income	<u>(43,914)</u>	<u>(89,757)</u>

At 31st December 2019 the group had unrelieved trading losses amounting to approximately £876,000 (2018 £436,000) which are available to be carried forward and offset against future trading profits. No deferred tax asset has been recognised in respect of these losses as there is uncertainty about the timing and extent of future trading profits.

8. **LOSS OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £637,544 (a loss of £268,953 for the).

9. **PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made to cancel management charges of £14,400 which were accrued as income in the parent company's financial statements for the period ended 31st December 2018 and owed by the subsidiary.

The prior year adjustment has increased the parent company's loss for the period ended 31st December 2018 and reduced its net assets by £14,400 from the amounts previously reported.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

10. **PROPERTY, PLANT AND EQUIPMENT**

Group

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st January 2019	170	14,340	14,510
Additions	<u>1,028</u>	<u>10,048</u>	<u>11,076</u>
At 31st December 2019	<u>1,198</u>	<u>24,388</u>	<u>25,586</u>
DEPRECIATION			
At 1st January 2019	-	3,896	3,896
Charge for year	<u>387</u>	<u>4,573</u>	<u>4,960</u>
At 31st December 2019	<u>387</u>	<u>8,469</u>	<u>8,856</u>
NET BOOK VALUE			
At 31st December 2019	<u>811</u>	<u>15,919</u>	<u>16,730</u>
At 31st December 2018	<u>170</u>	<u>10,444</u>	<u>10,614</u>

11. **INVESTMENTS**

Company

	Shares in group undertaking £
COST	
At 1st January 2019 and 31st December 2019	<u>3,011</u>
NET BOOK VALUE	
At 31st December 2019	<u>3,011</u>
At 31st December 2018	<u>3,011</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

11. **INVESTMENTS - continued**

Company

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiary

Quality Clouds S.L.

Registered office: Calle Torrent de L'olla, 218 - P. 1 PTA. 3, Barcelona, 08012

Nature of business: Computer software development

Class of shares:	%		
Ordinary	holding		
	100.00	31.12.19	31.12.18
		£	£
Aggregate capital and reserves		26,996	8,453
Profit/(loss) for the year/period		<u>19,865</u>	<u>(13,780)</u>

12. **TRADE AND OTHER RECEIVABLES**

	Group		Company	
	31.12.19	31.12.18 as restated	31.12.19	31.12.18 as restated
	£	£	£	£
Current:				
Trade debtors	66,106	65,582	66,106	65,582
Other debtors	14,485	12,179	3,503	-
Prepayments and accrued income	<u>50,251</u>	<u>232</u>	<u>50,251</u>	<u>232</u>
	<u>130,842</u>	<u>77,993</u>	<u>119,860</u>	<u>65,814</u>

Trade and other receivables are categorised in level 2 within the fair value hierarchy.

13. **CASH AND CASH EQUIVALENTS**

	Group		Company	
	31.12.19	31.12.18 as restated	31.12.19	31.12.18 as restated
	£	£	£	£
Bank accounts	<u>809,292</u>	<u>10,255</u>	<u>789,967</u>	<u>7,876</u>

Cash and cash equivalents are categorised in level 1 within the fair value hierarchy.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.19	31.12.18 as restated
			£	£
1,050,100	Ordinary	£0.000001	2	1
240,300	Series A1	£0.000001	-	-
333,715	Series A2	£0.000001	-	-
			<u>2</u>	<u>1</u>

50,100 Ordinary shares of £0.000001 each were allotted and fully paid for cash at par during the year.

The following fully paid shares were allotted during the year at a premium as shown below:

333,715 Series A2 shares of 0.000001 each at £3.67426 per share

All classes of shares have equal voting and dividend rights. On 18th November 2019 a special resolution was passed giving Series A1 and Series A2 shares priority over the ordinary shares on distributions from a winding up of the company.

15. **RESERVES**

Group

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1st January 2019	(594,323)	473,633	699	(119,991)
Prior year adjustment	<u>(14,400)</u>			<u>(14,400)</u>
	(608,723)			(134,391)
Deficit for the year	(617,679)			(617,679)
Share issue	-	1,226,326	-	1,226,326
Exchange difference on consolidation	-	-	(1,322)	(1,322)
At 31st December 2019	<u>(1,226,402)</u>	<u>1,699,959</u>	<u>(623)</u>	<u>472,934</u>

Company

	Retained earnings £	Share premium £	Totals £
At 1st January 2019	(599,066)	473,633	(125,433)
Prior year adjustment	<u>(14,400)</u>		<u>(14,400)</u>
	(613,466)		(139,833)
Deficit for the year	(637,544)		(637,544)
Share issue	-	1,226,326	1,226,326
At 31st December 2019	<u>(1,251,010)</u>	<u>1,699,959</u>	<u>448,949</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

16. TRADE AND OTHER PAYABLES

	Group		Company	
	31.12.19	31.12.18 as restated	31.12.19	31.12.18 as restated
	£	£	£	£
Current:				
Trade creditors	67,764	6,104	35,472	1,951
Amounts owed to group undertakings	-	-	87,519	50,753
Social security and other taxes	40,639	28,026	10,071	6,990
Other creditors	11,198	11,269	7,613	5,910
Accruals and deferred income	361,801	183,351	358,958	178,849
Directors' current accounts	22,742	27,566	22,742	27,566
	<u>504,144</u>	<u>256,316</u>	<u>522,375</u>	<u>272,019</u>

Trade and other payables are categorised in level 2 within the fair value hierarchy.

17. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	31.12.19	31.12.18 as restated	31.12.19	31.12.18 as restated
	£	£	£	£
Current:				
Bank loans	7,854	7,306	-	-
Other loans	15,004	-	15,004	-
	<u>22,858</u>	<u>7,306</u>	<u>15,004</u>	<u>-</u>
Non-current:				
Bank loans - 1-2 years	14,410	22,909	-	-

Terms and debt repayment schedule

Group	1 year or less			Totals
	£	1-2 years £	2-5 years £	
Bank loans	7,854	7,002	7,408	22,264
Other loans	15,004	-	-	15,004
	<u>22,858</u>	<u>7,002</u>	<u>7,408</u>	<u>37,268</u>
Company				1 year or less £
Other loans				<u>15,004</u>

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

18. **FINANCIAL INSTRUMENTS**

Group

	31.12.19	31.12.18
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	809,292	10,255
Financial assets measured at amortised cost	<u>77,089</u>	<u>77,761</u>
	<u>886,381</u>	<u>88,016</u>
 Financial liabilities		
Financial liabilities that are debt instruments measured at amortised cost	<u>209,096</u>	<u>61,036</u>
	<u>209,096</u>	<u>61,036</u>

Company

	31.12.19	31.12.18
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	789,967	7,876
Financial assets measured at amortised cost	<u>66,106</u>	<u>65,582</u>
	<u>856,073</u>	<u>73,458</u>
 Financial liabilities		
Financial liabilities that are debt instruments measured at amortised cost	<u>257,894</u>	<u>97,775</u>
	<u>257,894</u>	<u>97,775</u>

19. **RELATED PARTY DISCLOSURES**

Related parties include the subsidiary undertaking and the members of the board of Directors.

Transactions and balances with the subsidiary which are included in the parent company financial statements but have been eliminated on consolidation are as follows:

	2019	2018
	£	£
Included in other income		
Management charges to the subsidiary	-	14,400
Included in Administrative expenses		
Services purchased from the subsidiary	403,997	196,324
Included in Trade and other payables		
Amounts owed to group undertakings	87,519	50,753

Remuneration paid to the directors and key management personnel is shown in note 4.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

20. EVENTS AFTER THE REPORTING PERIOD

No adjusting events have occurred after the reporting period.

The Coronavirus/COVID-19 outbreak is a non-adjusting event that has occurred after the reporting period. The directors' assessment of the pandemic's impact on the group's ability to continue as a going concern is explained in note 2 to the financial statements.

21. ULTIMATE CONTROLLING PARTY

From the date of incorporation to the 23rd November 2017, A Franquesa Ribe was the ultimate controlling party by virtue of his majority shareholding in the parent company.

Since 23rd November 2017 no single party has had ultimate control of the parent company.

22. RISK MANAGEMENT

The company is exposed to various financial risks such as market risk (variation in foreign exchange rates, interest rates etc.), credit risk and liquidity risk. The company's risk management policy is aimed at limiting the negative impact of these risks on its financial results which are derived from the inability to predict financial markets and the changes in variables affecting costs and revenue.

The risk management policy is executed by the company's directors using the following procedure:

- Evaluation of risks related to the company's activities.
- Methodology planning and selection of any suitable actions for risk reduction.
- Execute risk management in accordance to the procedure approved by the directors.

Business Risk

The directors consider that the company's principal business risks are over-reliance on key customers. The directors are confident that the company is well placed to retain its existing customers and to also attract new business.

Financial instruments

The company's financial instruments are mainly comprised of bank deposits and loans and amounts owed to and owed from third parties.

The carrying amounts reflected in the accompanying Statement of Financial Position for balances approximates their respective fair values due to the relatively short-term maturity of these financial instruments.

Fair value of assets and liabilities

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1	Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
2	Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
3	Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Quality Clouds Ltd

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

22. **RISK MANAGEMENT - continued**

Interest rate risk

At 31st December 2019 the company is exposed to changes in market interest rates through its cash and cash equivalents which are subject to variable interest rates. However, the directors do not believe the effect of interest rate fluctuations on cash and cash equivalents are material and that no significant negative result could derive from unfavourable fluctuations.

Liquidity risk

The company manages its liquidity by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in its day-to-day business. Liquidity needs are monitored in various time bands, on a daily, weekly and monthly basis.

Foreign exchange risk

Currency risk arises from the fair values, or the cash flows, of a financial instrument fluctuating due to changes in foreign currency exchange rates. The group has trade receivables in various currencies such as Sterling, the Euro and the US Dollar and a significant proportion of the group's payables are also denominated in foreign currencies.

With a high level of foreign currency income and foreign currency costs there is a significant exposure to currency risk because the LLP does not actively undertake currency hedging transactions. Risks have been managed successfully to date through the operation of bank accounts for each currency with low levels of foreign exchange differences in the current year or previous period.

Credit risk

Credit risk is the risk of financial loss to the group if a counterparty fails to meet its contractual obligations.

Maximum exposure to credit risk at the reporting date to which the group is exposed is the carrying value of the trade and other receivables and customer defaults could adversely affect the liquidity of the group. However, due to the large number of customers and the diversification of the customer base, there is an acceptable level of concentration of credit risk with respect to these receivables.

The group has established credit policies under which customers are analysed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and if they were to become doubtful. In monitoring credit risk, customers are grouped according to their credit risk characteristics, ageing profile and existence of previous financial difficulties. If customers were to be characterised as doubtful, they would be reassessed at each reporting date for the estimated loss that would be expected, and an appropriate impairment allowance would be established.

23. **FIRST YEAR ADOPTION**

The group has adopted the provisions of International Financial Reporting Standards (IFRS) for the first time in preparing its financial statements for the year ended 31st December 2019. The comparative disclosures have been updated to reflect the changes between the two frameworks, however no adjustments have been required to restate the comparative figures in accordance with IFRS. A reconciliation for the effect of the transition from Financial Reporting Standard 105 to IFRS is required.

Quality Clouds Ltd

Consolidated Income Statement Summaries
for the Year Ended 31st December 2019

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
REVENUE		
Sales	<u>427,093</u>	<u>82,153</u>
	<u>427,093</u>	<u>82,153</u>
 COST OF SALES		
Direct costs	<u>23,000</u>	<u>-</u>
	<u>23,000</u>	<u>-</u>
 ADMINISTRATIVE EXPENSES		
Administrative expenses		
Directors' salaries	81,281	53,333
Wages	398,667	203,655
Social security	69,623	46,557
Pensions	6,183	1,999
Telephone	2,227	1,150
Advertising	192,153	35,501
Travelling	30,610	10,383
Rent	35,992	17,170
Computer costs	27,720	13,288
Sundry expenses	7,296	69
Accountancy	17,361	6,513
Consulting	64,214	34,629
Legal fees	92,059	23,633
Auditors' remuneration	11,163	-
Foreign exchange losses	1,629	38
Entertainment	3,546	781
Finance costs		
Bank charges	2,828	1,033
Surcharges	7,924	1,325
Depreciation		
Computer equipment	<u>4,960</u>	<u>3,316</u>
	<u>1,057,436</u>	<u>454,373</u>

This page does not form part of the statutory financial statements

Quality Clouds Ltd

Consolidated Income Statement Summaries
for the Year Ended 31st December 2019

	Year Ended 31.12.19	Period 1.5.18 to 31.12.18 as restated
	£	£
FINANCE COSTS		
Bank interest	16	-
Loan interest	<u>8,277</u>	<u>289</u>
	<u>8,293</u>	<u>289</u>
FINANCE INCOME		
Deposit account interest	<u>43</u>	<u>19</u>
	<u>43</u>	<u>19</u>

This page does not form part of the statutory financial statements