

**QUANTEMPLATE RESEARCH LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Quantemplate Research Limited
Unaudited Financial Statements
For The Year Ended 31 December 2021

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Quantemplate Research Limited
Balance Sheet
As at 31 December 2021

Registered number: 07298969

		2021	2020
	Notes	£	£
FIXED ASSETS			
CURRENT ASSETS			
Debtors	4	5,370,959	5,486,820
Cash at bank and in hand		84,981	26,664
		5,455,940	5,513,484
Creditors: Amounts Falling Due Within One Year	5	(5,899,550)	(5,202,658)
NET CURRENT ASSETS (LIABILITIES)		(443,610)	310,826
TOTAL ASSETS LESS CURRENT LIABILITIES		(443,610)	310,826
Creditors: Amounts Falling Due After More Than One Year	6	(35,301)	(45,000)
NET (LIABILITIES)/ASSETS		(478,911)	265,826
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Share premium account		128,631	128,631
Profit and Loss Account		(607,544)	137,193
SHAREHOLDERS' FUNDS		(478,911)	265,826

Quantemplate Research Limited
Balance Sheet (continued)
As at 31 December 2021

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Adrian Rands

Director

07/04/2022

The notes on pages 3 to 6 form part of these financial statements.

Quantemplate Research Limited
Notes to the Financial Statements
For The Year Ended 31 December 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The director has considered whether the company is still a going concern and is confident that it is. The business structure has changed so that the UK clients will contract directly with the company and US clients with the parent company, Quantemplate Technologies Inc. However the impact of Covid -19 was that new contracts in that year were halted in 2020 and 2021, as customers were blocked from completing deals. The director is confident that the support measures put in place are sufficient to see the company as a going concern for the foreseeable future with new contracts starting early in 2022. The director has not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.4. Intangible Fixed Assets and Amortisation - Other Intangible

Other intangible assets are development costs. It is amortised to profit and loss account over its estimated economic life of 3 years.

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	33% straight line
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1.6. Leasing and Hire Purchase Contracts

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

Quantemplate Research Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

1.7. Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Quantemplate Research Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

1.9. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.10. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 3 (2020: 11)

3. Intangible Assets

	Other £
Cost	
As at 1 January 2021	12,740
As at 31 December 2021	12,740
Amortisation	
As at 1 January 2021	12,740
As at 31 December 2021	12,740
Net Book Value	
As at 31 December 2021	-
As at 1 January 2021	-

4. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	23,547	21,991
Amounts owed by group companies	5,347,412	5,464,829
	5,370,959	5,486,820

Quantemplate Research Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

5. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	132,392	86,867
Bank loans and overdrafts	10,000	5,000
Corporation tax	34,075	34,075
Other taxes and social security	367,375	250,491
Other creditors	56,000	57,870
Amounts owed to group companies	5,299,708	4,768,355
	<u>5,899,550</u>	<u>5,202,658</u>

6. Creditors: Amounts Falling Due After More Than One Year

	2021	2020
	£	£
Bank loans	35,301	45,000
	<u>35,301</u>	<u>45,000</u>

7. Share Capital

	2021	2020
Allotted, Called up and fully paid	2	2

8. Contingent Liabilities

Columbia Lake Partners Growth Lending I (Luxco) S.A.R.L hold a floating charge over the assets of the company in respect of funding provided to Quantemplate Technologies Limited.

9. Related Party Transactions

The company has taken advantage of the exemption under FRS 102 Section 33 'Related Party Transactions' from disclosing transactions with its parent and fellow group companies.

10. Ultimate Parent Undertaking and Controlling Party

The company's immediate parent undertaking is Quantemplate Technologies Inc , registered in the USA.

11. General Information

Quantemplate Research Limited is a private company, limited by shares, incorporated in England & Wales, registered number 07298969 . The registered office is Timsons Business Centre, Bath Road, Kettering, NN16 8NQ.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.