

# Financial Statements Quintex Systems Holdings Limited

---

For the year ended 31 July 2015

Registered number: 08406103



## Company Information

<b>Directors</b>	S J Jarman M C Phillips T M Roe H W B Sallitt I Stuart D G Walker
<b>Registered number</b>	08406103
<b>Registered office</b>	6 New Street Square London EC4A 3LX
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Wokingham Berkshire RG41 5TS

## Contents

	Page
<b>Directors' report</b>	1 - 2
<b>Independent auditor's report</b>	3 - 4
<b>Consolidated profit and loss account</b>	5
<b>Consolidated balance sheet</b>	6
<b>Company balance sheet</b>	7
<b>Notes to the financial statements</b>	8 - 15

# Directors' Report

For the year ended 31 July 2015

The directors present their report and the financial statements for the year ended 31 July 2015.

## Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 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 judgments 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 group 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 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.

## Principal activities

The principal activity of the company during the period was that of a parent company. The Group's principal activities were that of developing, manufacturing, distributing and installing energy and cost saving systems for commercial kitchens.

## Directors

The directors who served during the year were:

S J Jarman  
M C Phillips  
T M Roe  
H W B Sallitt  
I Stuart  
D G Walker

## Business review

Quintex Systems Holdings Limited and its wholly owned subsidiary Quintex Systems Management Limited were established in 2013 in order to acquire Quintex Systems Limited. The transaction was completed on 5 April 2013 and the group results are the combined results of the three companies for the year to July 2015.

Quintex Systems designs, manufactures and installs systems that reduce energy consumption in commercial kitchens through the provision of energy efficient controls for ventilation systems. The Group's customers are primarily in the retail, hotel, restaurant and pub sectors, and the Group's existing client base includes major chains

## **Directors' Report**

**For the year ended 31 July 2015**

in each of these sectors. Export sales continue to move forward in markets such as Benelux and Germany, with clients including international hotel groups and a major retailer. In the year to 31 July 15 the Group has consolidated a sales pipeline of future prospects and invested in the development of additional products with direct relevance to its existing customer base.

Future plans include growth with existing and new corporate clients, the development of new energy and cost saving products for our market place, increasing international reach, and further investment in augmenting our management resources and expertise.

In particular the business has invested in, and developed, a novel system for the automatic cleaning of surfaces within extraction systems. This development is expected to be launched commercially in 2016. The roll out of this development to the business' existing client base and to new customers is anticipated to be a significant part of future growth in the business and contributes to the planned expansion of the product portfolio.

With many clients prepared to invest in energy saving technology that reduces both cost and carbon footprint, we are optimistic about the potential for longer term growth. We expect further progress in 2016 on the basis of the platform developed this year.

The Board would like to thank our team of employees for their dedication and commitment during a year of consolidation.

### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

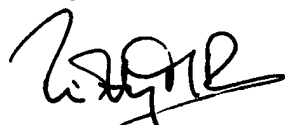
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the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

### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **1 December 2015** and signed on its behalf.



T M Roe  
Director

## Independent Auditor's Report to the Members of Quintex Systems Holdings Limited

We have audited the financial statements of Quintex Systems Holdings Limited for the year ended 31 July 2015, which comprise the Consolidated Profit and loss account, the Consolidated and Company Balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

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

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

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 31 July 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of Quintex Systems Holdings Limited

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

*Grant Thornton UK LLP*

Mahmood Ramji (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Reading

Date: 1 December 2015

## Consolidated Profit and Loss Account

For the year ended 31 July 2015

	Note	2015 £000	2014 £000
<b>Turnover</b>	1	2,515	5,539
Cost of sales		(1,685)	(3,217)
<b>Gross profit</b>		830	2,322
Administrative expenses		(2,065)	(2,226)
<b>Operating (loss)/profit</b>	2	(1,235)	96
Interest receivable and similar income		4	7
Interest payable and similar charges		(613)	(523)
<b>Loss on ordinary activities before taxation</b>		(1,844)	(420)
Tax on loss on ordinary activities	4	351	91
<b>Loss for the financial year</b>	12	(1,493)	(329)

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



## Consolidated Balance Sheet

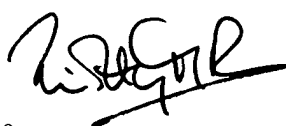
As at 31 July 2015

	Note	£000	2015 £000	2014 £000
<b>Fixed assets</b>				
Intangible assets	5		4,591	4,904
Tangible assets	6		99	70
			<u>4,690</u>	<u>4,974</u>
<b>Current assets</b>				
Stocks		442		495
Debtors	7	1,008		1,727
Cash at bank		610		1,431
		<u>2,060</u>		<u>3,653</u>
<b>Creditors: amounts falling due within one year</b>	8	(790)		(1,807)
<b>Net current assets</b>			<u>1,270</u>	<u>1,846</u>
<b>Total assets less current liabilities</b>			<u>5,960</u>	<u>6,820</u>
<b>Creditors: amounts falling due after more than one year</b>	9		(7,543)	(6,910)
<b>Net liabilities</b>			<u>(1,583)</u>	<u>(90)</u>
<b>Capital and reserves</b>				
Called up share capital	11			-
Share premium account	12		70	70
Profit and loss account	12		(1,653)	(160)
<b>Shareholders' deficit</b>			<u>(1,583)</u>	<u>(90)</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

1 December 2015



T M Roe  
Director

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

## Company Balance Sheet

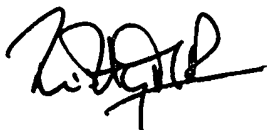
As at 31 July 2015

	Note	£000	2015 £000	£000	2014 £000
<b>Current assets</b>					
Debtors	7	117		117	
<b>Creditors:</b> amounts falling due within one year	8	(47)		(47)	
<b>Net current assets</b>			70		70
<b>Total assets less current liabilities</b>			70		70
<b>Capital and reserves</b>					
Called up share capital	11		-		-
Share premium account	12		70		70
<b>Shareholders' funds</b>			70		70

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
**1 December 2015**

T M Roe  
Director



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

# Notes to the Financial Statements

For the year ended 31 July 2015

## 1. Accounting Policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Quintex Systems Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit and loss account for the year dealt with in the accounts of the company was £nil (2014 - £nil).

### 1.3 Turnover

Turnover comprises of revenue recognised by the group in respect of goods and services supplied during the Period, exclusive of Value Added Taxes and trade discounts.

The Group recognises revenue as follows:

- Project revenue is recognised on completion of installation
- Revenue from direct sales of goods is recognised in full when goods are shipped
- Revenue from supporting services is recognised when the work is performed.

### 1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over 20 years.

Intellectual property is amortised to the Profit and loss account over its estimated economic life.

Amortisation on intangible fixed assets is provided at the following rates:

Patents	-	
Goodwill	-	20 years straight line
Intellectual Property	-	4 years straight line

### 1.5 Tangible fixed assets and depreciation

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

Plant and machinery	-	25% -33% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line

# Notes to the Financial Statements

For the year ended 31 July 2015

## 1. Accounting Policies (continued)

### 1.6 Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

### 1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

### 1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### 1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

### 1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at 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 gains and losses are recognised in the Profit and loss account.

### 1.11 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

# Notes to the Financial Statements

For the year ended 31 July 2015

## 1. Accounting Policies (continued)

### 1.12 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

## 2. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2015 £000	2014 £000
Amortisation - intangible fixed assets	313	249
Depreciation of tangible fixed assets:		
- owned by the group	34	25
Auditor's remuneration	15	14
Pension costs	25	94
	<u>          </u>	<u>          </u>

The audit fees for the current year are payable by the subsidiary company, Quintex Systems Limited.

## 3. Directors' remuneration

	2015 £000	2014 £000
Aggregate remuneration	363	335
	<u>          </u>	<u>          </u>

# Notes to the Financial Statements

For the year ended 31 July 2015

## 4. Taxation

	2015 £000	2014 £000
<b>Analysis of tax charge in the period</b>		
<b>Current tax</b>		
UK corporation tax (credit)/charge on (loss)/profit for the year/period	-	4
Adjustments in respect of prior periods	10	(30)
<b>Total current tax</b>	<u>10</u>	<u>(26)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(361)	(66)
Adjustments in respect of prior periods	-	1
<b>Total deferred tax (see note 10)</b>	<u>(361)</u>	<u>(65)</u>
<b>Tax on loss on ordinary activities</b>	<u>(351)</u>	<u>(91)</u>

## 5. Intangible fixed assets

Group	Intellectual property £000	Goodwill £000	Total £000
<b>Cost</b>			
At 1 August 2014 and 31 July 2015	<u>266</u>	<u>4,970</u>	<u>5,236</u>
<b>Amortisation</b>			
At 1 August 2014	-	332	332
Charge for the year	<u>64</u>	<u>249</u>	<u>313</u>
At 31 July 2015	<u>64</u>	<u>581</u>	<u>645</u>
<b>Net book value</b>			
At 31 July 2015	<u>202</u>	<u>4,389</u>	<u>4,591</u>
At 31 July 2014	<u>266</u>	<u>4,638</u>	<u>4,904</u>

# Notes to the Financial Statements

For the year ended 31 July 2015

## 6. Tangible fixed assets

Group	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
<b>Cost</b>				
At 1 August 2014	106	10	18	134
Additions	55	-	8	63
At 31 July 2015	161	10	26	197
<b>Depreciation</b>				
At 1 August 2014	42	9	13	64
Charge for the year	31	1	2	34
At 31 July 2015	73	10	15	98
<b>Net book value</b>				
At 31 July 2015	88	-	11	99
At 31 July 2014	64	1	5	70

## 7. Debtors

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade debtors	537	1,273	-	-
Amounts owed by group undertakings	-	-	117	117
Other debtors	36	380	-	-
Deferred tax asset (see note 10)	435	74	-	-
	1,008	1,727	117	117

## 8. Creditors: Amounts falling due within one year

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade creditors	293	1,000	-	-
Amounts owed to group undertakings	-	-	47	47
Corporation tax	-	16	-	-
Other taxation and social security	56	157	-	-
Accruals and deferred income	256	420	-	-
Other creditors	185	214	-	-
	790	1,807	47	47

# Notes to the Financial Statements

For the year ended 31 July 2015

**8. Creditors:**  
**Amounts falling due within one year (continued)**

**9. Creditors:**  
**Amounts falling due after more than one year**

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Investor and vendor loans	7,543	6,831	-	-
Other creditors	-	79	-	-
	<u>7,543</u>	<u>6,910</u>	<u>-</u>	<u>-</u>

**10. Deferred taxation**

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
At beginning of year/period	74	9	-	-
Deferred tax liability on acquisition	361	65	-	-
	<u>435</u>	<u>74</u>	<u>-</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Accelerated capital allowances	<u>435</u>	<u>74</u>	<u>-</u>	<u>-</u>

**11. Share capital**

	2015	2014
	£	£
<b>Allotted, called up and fully paid</b>		
8,500 A shares of £0.01 each	85	85
1,500 B shares of £0.10 each	150	150
888 C shares of £0.01 each	9	-
	<u>244</u>	<u>235</u>



# Notes to the Financial Statements

For the year ended 31 July 2015

## 11. Share capital (continued)

In September 2014, 1,055 ordinary C shares of £0.01 each were issued at par to employees of the company. They were issued in return for services provided and there are no vesting conditions, vesting period or assumptions attached to the shares. In May 2015, 167 ordinary C shares of £0.01 shares were returned.

The 'C' ordinary shares have preferential rights over other classes of shares on a change of control, initial public offering or liquidation of the company, subject to the employee shareholders satisfying certain service conditions at the time of such an event.

## 12. Reserves

	Share premium account £000	Profit and loss account £000
<b>Group</b>		
At 1 August 2014	70	(160)
Loss for the financial year	-	(1,493)
	<hr/>	<hr/>
At 31 July 2015	70	(1,653)
	<hr/>	<hr/>
<b>Company</b>		Share premium account £000
At 1 August 2014 and 31 July 2015		70
		<hr/>

## 13. Contingent liabilities

The group and company had no contingent liabilities at 31 July 2015 or 31 July 2014.

## 14. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £37,000 (2014 - £94,000). Contributions totalling £6,000 (2014 - £1,000) were payable to the fund at the balance sheet date and are included in creditors.

# Notes to the Financial Statements

For the year ended 31 July 2015

## 15. Operating lease commitments

At 31 July 2015 the Group had annual commitments under non-cancellable operating leases as follows:

	2015 £000	2014 £000
<b>Group</b>		
<b>Expiry date:</b>		
Within 1 year	-	69

## 16. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Quintex Systems Management Limited	UK	100%	Management company
Quintex Systems Limited	UK	100%	Developing, manufacturing, distributing and installing energy and cost saving systems for commercial kitchens

## 17. Related party transactions

During 2014 the group received a director's loan of £20,000. As at the balance sheet date, £20,000 remained outstanding and is repayable by 3 November 2019, no interest is charged on this loan.

The company has taken advantage of the exemption provided by Financial Reporting Standard No 8 'Related Party Disclosures' not to disclose transactions with other wholly owned group undertakings controlled by Quintex Systems Holdings Limited.