

Statement of Consent to Prepare Abridged Financial Statements

All of the members of (AQ) Networks Ltd have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 December 2016 in accordance with Section 444(2A) of the Companies Act 2006.

COMPANY REGISTRATION NUMBER: 04250076

(AQ) Networks Ltd

Filleted Unaudited Abridged Financial Statements

31 December 2016

(AQ) Networks Ltd

Abridged Financial Statements

Year ended 31 December 2016

Contents	Page	
Director's report	1	
Chartered accountant's report to the director on the preparation of the unaudited statutory abridged financial statements		2
Abridged statement of financial position	3	
Notes to the abridged financial statements	5	

(AQ) Networks Ltd

Director's Report

Year ended 31 December 2016

The director presents his report and the unaudited abridged financial statements of the company for the year ended 31 December 2016 .

Director

The director who served the company during the year was as follows:

Prof A J Beaumont

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 25 September 2017 and signed on behalf of the board by:

Prof A J Beaumont

Director

Registered office:

13-15 Hunslet Road

Leeds

West Yorkshire

LS10 1JQ

(AQ) Networks Ltd

Chartered Accountant's Report to the Director on the Preparation of the Unaudited Statutory Abridged Financial Statements of (AQ) Networks Ltd

Year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abridged financial statements of (AQ) Networks Ltd for the year ended 31 December 2016, which comprise the abridged statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance. This report is made solely to the director of (AQ) Networks Ltd in accordance with the terms of our engagement letter dated 12 September 2017. Our work has been undertaken solely to prepare for your approval the abridged financial statements of (AQ) Networks Ltd and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than (AQ) Networks Ltd and its director for our work or for this report.

It is your duty to ensure that (AQ) Networks Ltd has kept adequate accounting records and to prepare statutory abridged financial statements that give a true and fair view of the assets, liabilities, financial position and profit of (AQ) Networks Ltd. You consider that (AQ) Networks Ltd is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the abridged financial statements of (AQ) Networks Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory abridged financial statements.

LANGRICKS LIMITED Chartered accountant

Aus-Bore House 19-25 Manchester Road Wilmslow Cheshire SK9 1BQ

25 September 2017

(AQ) Networks Ltd

Abridged Statement of Financial Position

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	1,349,261	1,520,550
Investments	5	5,000	–
		<u>1,354,261</u>	<u>1,520,550</u>
Current assets			
Debtors		2,373,571	1,538,754
Cash at bank and in hand		746,229	587,729
		<u>3,119,800</u>	<u>2,126,483</u>
Creditors: amounts falling due within one year		<u>296,792</u>	<u>150,768</u>
Net current assets		<u>2,823,008</u>	<u>1,975,715</u>
Total assets less current liabilities		<u>4,177,269</u>	<u>3,496,265</u>
Provisions			
Taxation including deferred tax		43,090	60,283
Net assets		<u>4,134,179</u>	<u>3,435,982</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		4,134,079	3,435,882
Members funds		<u>4,134,179</u>	<u>3,435,982</u>

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

(AQ) Networks Ltd

Abridged Statement of Financial Position *(continued)*

31 December 2016

These abridged financial statements were approved by the board of directors and authorised for issue on 25 September 2017 , and are signed on behalf of the board by:

Prof A J Beaumont

Director

Company registration number: 04250076

(AQ) Networks Ltd

Notes to the Abridged Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 13-15 Hunslet Road, Leeds, West Yorkshire, LS10 1JQ.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	4% straight line
Computer equipment	-	33% straight line
Fixtures and fittings	-	25% straight line
Motor vehicles	-	20% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the abridged statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Tangible assets

	£
Cost	
At 1 January 2016 and 31 December 2016	2,446,540

Depreciation	
At 1 January 2016	925,990
Charge for the year	171,289

At 31 December 2016	1,097,279

Carrying amount	
At 31 December 2016	1,349,261

At 31 December 2015	1,520,550

5. Investments

	£
Cost	
Additions	5,000

At 31 December 2016	5,000

Impairment	
At 1 January 2016 and 31 December 2016	-

Carrying amount	
At 31 December 2016	5,000

6. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2016		
	Balance brought forward	Amounts repaid	Balance outstanding
	£	£	£
Prof A J Beaumont	8,759	(8,759)	-
	-----	-----	---
	2015		
	Balance brought forward	Amounts repaid	Balance outstanding
	£	£	£
Prof A J Beaumont	8,759	-	8,759
	-----	----	-----

7. Related party transactions

During the period the company invoiced goods and services amounting to £1,080,000 (2015: £1,080,000) to (aq) Limited. At 31 December 2016 the Company was owed £84,000 (2015: £Nil) from (aq) Limited by way of trade debtors and was owed £2,350,000 (2015: £1,513,544) by way of loans from (aq) Limited. Prof A J Beaumont is a Director and shareholder in (aq) Limited.

8. Controlling party

The ultimate controlling party is Prof AJ Beaumont .

9. Transition to FRS 102

These are the first abridged financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.

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.