

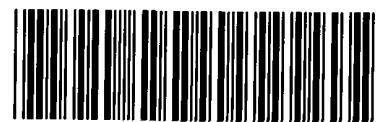
Company Registration No. 05091695

QA-IQ GROUP LIMITED

Report and Financial Statements

2 June 2017

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QA-IQ GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

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QA-IQ GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I P Johnson
W R G Macpherson

REGISTERED OFFICE

Rath House
55-65 Uxbridge Road
Slough
Berkshire
SL1 1SG

SOLICITORS

DLA Piper UK LLP
3 Noble Street
London
EC2V 7EE

AUDITOR

Deloitte LLP
Statutory Auditor
Leeds

QA-IQ GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company acts as an intermediate holding company within the Ichnaea Jersey Topco Limited group. The directors do not expect this activity to change in the foreseeable future.

RESULTS AND DIVIDENDS

The company's profit for the financial year was £93,025 (2016: £2,189,963). Increased interest receivable arose on loans to group companies. Interest payable increased in the year on a higher level of bank loans. Exceptional items related to costs associated with the refinancing of bank debt. The directors do not recommend the payment of an ordinary dividend for the year (2016: nil).

KEY PERFORMANCE INDICATORS (KPIs)

The company is managed as part of the overall group. For this reason the company directors believe that specific KPIs for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the group including this company is discussed in the Ichnaea Jersey Topco Limited annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties relate to the carrying value of the company's investment in its subsidiaries and the subsidiaries' ability to generate sufficient profits and cash flows to support the carrying value of the investment and to meet interest payments due to the company on its loans to other group companies. The risk is addressed by each of the individual subsidiaries listed in note 5, continuing to trade profitably.



I P Johnson

Director

26 September 2017

QA-IQ GROUP LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 2 June 2017. The following have been disclosed in the strategic report and are included in the Director's Report by way of cross reference, principal activity and business review including KPIs, future prospects and subsequent events, results and dividends and principal risks and uncertainties.

DIRECTORS

The directors who served throughout the year and to the date of this report were as follows:

I P Johnson
W R G Macpherson
H D M Thomas (Resigned 15 June 2016)

DIRECTORS' INDEMNITIES

The company made qualifying third party indemnity provisions for the benefit of its directors and officers and these remain in force at the date of this report

FUTURE PROSPECTS AND SUBSEQUENT EVENTS

The Directors do not anticipate any changes to the company's principal activity. On 23 June 2017 Encap Lux QAIQ S.a.r.l sold its majority shareholding to IndigoCyan Holdings Jersey Limited. Following the change in ownership, Group bank loans of £108.9m were repaid.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out on page 2. Following the change of ownership on 23 June 2017, the Company is part of the IndigoCyan Topco Limited Group ("the Group") and the directors have considered the adoption of the going concern basis of preparation of these financial statements with consideration to the wider group position and its business model.

The Group, of which the Company is a part, has significant debt, primarily with its major shareholder which is a substantial provider of private equity funds and which is supportive to the Group. The majority of the debt is not repayable in the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. The Group has long-standing agreements with many customers across the UK, and a leading position within its key markets. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully in the current economic climate.

The Group has funding arrangements with its banks which include drawn term loans and a revolving credit facility. These arrangements and appropriate financial covenants were negotiated in June 2017 and take account of financial projections which reflect the Group's trading expectations in the current economic climate. The company is reliant on the support of the Group.

On this basis, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. In making this assessment, the directors have considered the cash flow forecasts of the Group, the availability of financial resources and facilities and compliance with covenants. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

QA-IQ GROUP LIMITED

DIRECTORS' REPORT

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a number of financial risks including liquidity risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany finance.

AUDITOR

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors
and signed on behalf of the Board



I P Johnson

Director

26 September 2017

QA-IQ GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QA-IQ GROUP LIMITED

We have audited the financial statements of QA-IQ Group Limited for the year ended 2 June 2017 which comprise the Profit and Loss Account, the Balance Sheet, the statement of changes in equity and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 revised financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 2 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QA-IQ GROUP LIMITED (continued)

Opinion on other matter 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 Directors' Report and Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements and
- the Directors' Report and Strategic Report have been prepared in accordance with applicable legal requirements.

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

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 in preparing the Directors report.



Matthew Hughes BSc (Hons), ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Statutory Auditor
Leeds, United Kingdom

26 September 2017

QA-IQ GROUP LIMITED

PROFIT AND LOSS ACCOUNT **Year ended 2 June 2017**

		Year ended 2 June 2017 £	Year ended 27 May 2016 £
	Note		
Interest receivable and similar income	4	8,687,608	5,541,976
Interest payable and similar charges	5	(5,988,560)	(3,352,013)
Exceptional items	6	(2,606,023)	-
PROFIT BEFORE TAXATION		93,025	2,189,963
Tax on profit	7	-	-
PROFIT FOR THE FINANCIAL YEAR		93,025	2,189,963

All activities derive from continuing operations.

There are no recognised gains and losses other than the profit for the current and preceding financial year. Accordingly, no separate statement of other comprehensive income is given.

QA-IQ GROUP LIMITED

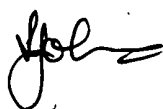
BALANCE SHEET

2 June 2017

	Note	2 June 2016 £	27 May 2016 £
FIXED ASSETS			
Investments	8	14,673,855	14,673,825
CURRENT ASSETS			
Debtors	9	192,693,904	108,899,182
Cash at bank and in hand		86,588	86,588
		192,780,492	108,985,770
CURRENT LIABILITIES			
Creditors - amounts falling due within one year	10	(104,723,471)	(67,051,930)
NET CURRENT ASSETS		88,057,021	41,933,840
TOTAL ASSETS LESS CURRENT LIABILITIES		102,730,876	56,607,665
NON CURRENT LIABILITIES:			
Creditors - amounts falling due after more than one year	11	(97,189,999)	(51,159,812)
NET ASSETS		5,540,877	5,447,852
CAPITAL AND RESERVES			
Called up share capital	13	160,046	160,046
Share premium account		3,517,545	3,517,545
Profit and loss account		1,863,286	1,770,261
SHAREHOLDERS' FUNDS		5,540,877	5,447,852

The financial statements of QA-IQ Group Limited, registered number 05091695, were approved by the Board of Directors and authorised for issue on 26 September 2017.

They were signed on its behalf by



I P Johnson
Director

QA-IQ GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

2 June 2017

Group	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 29 May 2015	160,046	3,517,545	(419,702)	3,257,889
Total comprehensive income for the financial year	-	-	2,189,963	2,189,963
At 27 May 2016	160,046	3,517,545	1,770,261	5,447,852
Total comprehensive income for the financial year	-	-	93,025	93,025
At 2 June 2017	<u>160,046</u>	<u>3,517,545</u>	<u>1,863,286</u>	<u>5,540,877</u>

NOTES TO THE FINANCIAL STATEMENTS
Year ended 2 June 2017

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the year and preceding year, are described below.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention modified to include certain items at fair value and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

QA-IQ Group Limited ("the company") is a company incorporated in the United Kingdom under the Companies Act. The company is a private company limited by shares and is registered in England and Wales. The address of the company's registered office is shown on page 1. The nature of the company's operations and its principal activities are set out in the strategic report.

The functional and presentational currency of the company is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the Company operates.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out on page 2. Following the change of ownership on 23 June 2017, the Company is part of the IndigoCyan Topco Limited Group ("the Group") and the directors have considered the adoption of the going concern basis of preparation of these financial statements with consideration to the wider group position and its business model.

The Group, of which the Company is a part, has significant debt, primarily with its major shareholder which is a substantial provider of private equity funds and which is supportive to the Group. The majority of the debt is not repayable in the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. The Group has long-standing agreements with many customers across the UK, and a leading position within its key markets. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully in the current economic climate.

The Group has funding arrangements with its banks which include drawn term loans and a revolving credit facility. These arrangements and appropriate financial covenants were negotiated in June 2017 and take account of financial projections which reflect the Group's trading expectations in the current economic climate. The company is reliant on the support of the Group.

On this basis, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. In making this assessment, the directors have considered the cash flow forecasts of the Group, the availability of financial resources and facilities and compliance with covenants. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Consolidation

As permitted by s400 of the Companies Act 2006, the company has not prepared consolidated accounts as it is a subsidiary of Ichnaea Jersey Holdings Limited, a company registered in Jersey with consolidated accounts voluntarily filed in the United Kingdom. The accounts therefore present information about the company as an individual undertaking and not about its group.

Investments

Investments in subsidiary are recorded at cost, less any provisions for impairment.

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the instrument. 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. Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

All financial assets and liabilities are initially measured at transaction price except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value. Debt instruments are subsequently measured at amortised cost using the effective interest method.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies described above the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are explained in the individual accounting policies above and are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The directors do not believe there are any critical accounting judgements or key sources of estimation uncertainty in the financial statements.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

During both the current and preceding years the company had no employees and the directors did not receive any remuneration for their services to QA-IQ Group Limited.

3. AUDITOR'S REMUNERATION

Auditor's remuneration for audit services amounted to £1,500 (2016- £1,500) and in both years this was borne by a fellow group undertaking.

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 2 June 2017 £	Year ended 27 May 2016 £
Interest on loan to group undertaking	8,687,608	5,541,976
	<u>8,687,577</u>	<u>5,541,976</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 2 June 2017 £	Year ended 27 May 2016 £
Interest on bank loan	5,215,254	2,676,282
Other finance charges	773,306	675,731
	<u>5,988,560</u>	<u>3,352,013</u>

6. EXCEPTIONAL ITEMS

	Year ended 2 June 2017 £	Year ended 27 May 2016 £
Refinancing costs	<u>2,606,023</u>	<u>-</u>

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

7. TAX ON PROFIT

a) Analysis of current tax in the year

	Year ended 2 June 2017 £	Year ended 27 May 2016 £
Current tax		
United Kingdom corporation tax at 19.83% (2016 - 20%) based on the result for the year		

The profit on ordinary activities at the standard UK corporation tax rate of 20% (year ended 27 May 2016 – 20.83%) reconciles to the current tax credit as follows:

	Year ended 2 June 2017 £	Year ended 27 May 2016 £
Profit before tax	93,025	2,189,963
Tax activities at standard rate	18,447	437,993
Factors affecting current tax for the year: Group Relief surrendered for nil consideration	(18,447)	(437,993)
Total current tax		

b) Factors affecting future tax charge

The company had no deferred tax assets or liabilities at 2 June 2017.

The Finance Act 2015 included provisions to reduce the rate of UK corporation tax to 18% with effect from 1 April 2020. The Finance Act 2016 included provisions to further reduce the rate of UK corporation tax to 17% with effect from 1 April 2020. Deferred taxation is measured at tax rates that are expected to apply in the periods in which temporary timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Accordingly 17% has been applied when calculating deferred tax assets and liabilities as at 2 June 2017.

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

8. FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £
Cost and net book value	
At 27 May 2016 and 2 June 2017	<u>14,673,825</u>

As at 2 June 2017, the company had an investment in the following subsidiary undertakings:

Company	Country of registration/ operation	Principal Activity	% of ordinary shares held	
Seckloe 208 Limited	England and Wales	Holding company	Ordinary	100
QA Limited*	England and Wales	Provision of training services	Ordinary	100
QA Learning Services Limited*	England and Wales	Holding company	Ordinary	100
Skillsgroup Holdings Limited*	England and Wales	Holding company	Ordinary	100
QA-IQ Investments (UK) Limited*	England and Wales	Holding company	Ordinary	100
QAHE (Ulst) Limited*	England and Wales	Provision of higher education	Ordinary	100
QAHE Limited*	England and Wales	Provision of higher education	Ordinary	100
QAHE (NU) Limited*	England and Wales	Provision of higher education	Ordinary	100
Focus Project Management Europe Limited*	England and Wales	Provision of training services	Ordinary	100
QA Gateway Limited*	England and Wales	Holding company	Ordinary	100
QA Consulting Services Limited*	England and Wales	Provision of consulting services	Ordinary	100
The Training Foundation Limited*	England and Wales	Provision of training services	Ordinary	100
FGI Training and Consultancy Limited	England and Wales	Non-trading	Ordinary	100
QAHE (UR) Limited*	England and Wales	Provision of higher education	Ordinary	100

Registered Address for entities above - Rath House, 55-65 Uxbridge Road, Slough, Berkshire, SL1 1SG

Power Education Limited*	England and Wales	Dormant company	Ordinary	100
F1 Computing Services Limited*	England and Wales	Holding company	Ordinary	100

Registered Address for entities above - Islington House, Brown Lane West, Leeds, LS12 6BD

M2 Education (Hong Kong) Limited*	Hong Kong	Provision of higher education	Ordinary	73
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* Indirect subsidiary

Registered address for entity above - xx

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

9. DEBTORS

All amounts due within one year:

	2 June 2017 £	27 May 2016 £
Loans to group undertakings	189,141,991	105,347,269
Amounts due from group undertakings	3,551,913	3,551,913
	<u>192,693,904</u>	<u>108,899,182</u>

Amounts due from group undertakings are unsecured, do not accrue any interest and are repayable on demand. Loans to group undertakings bear interest at a rate of 5% - 7.5% per annum and are repayable on demand.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2 June 2017 £	27 May 2016 £
Bank loans (see note 11)	9,700,000	7,984,479
Amounts owed to group undertakings	59,255,492	42,007,767
Loans from group undertakings	35,621,497	16,698,851
Accruals	146,482	240,833
Derivative financial liabilities	-	120,000
	<u>104,723,471</u>	<u>67,051,930</u>

Amounts owed to group undertakings are unsecured, do not accrue any interest and are repayable on demand.

Loans from group undertakings are unsecured and bear interest at 5% per annum.

Bank loans and revolving credit facilities across the group are secured over the assets of the company and other group companies. There are also related cross company guarantees.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2 June 2017 £	27 May 2016 £
Bank loans (see note 11)	<u>97,189,999</u>	<u>51,159,813</u>

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

12. BORROWINGS

Borrowings are repayable as follows:

	2 June 2017 £	30 May 2015 £
Bank loans (net of issue costs)		
Between one and two years	7,900,000	9,564,275
Between two and five years	89,289,999	42,595,537
	<u>97,189,999</u>	<u>52,159,812</u>
On demand or within one year (Note 10)	9,700,000	7,984,479
	<u>106,889,999</u>	<u>60,144,291</u>

As at 2 June 2017 the group's financial indebtedness with its lending banks bore interest at between 3.00% and 4.25% over LIBOR. £17.6m of the bank loans were repayable in half yearly instalments with the final repayment in October 2018 and the balance of the bank loans was repayable in full in June 2021

The shareholder loan notes are unsecured and bear interest at 12.85% per annum and are repayable on 31 December 2031. All amounts payable under the shareholder loan notes are deferred under the terms of the group's banking arrangements and are only payable once all bank indebtedness is cleared.

13. CALLED UP SHARE CAPITAL AND RESERVES

	2 June 2016 £	27 May 2016 £
Called up, allotted and fully paid		
8,002,318 ordinary shares of 2p each	<u>160,046</u>	<u>160,046</u>

The company's other reserves are as follows:

- The profit and loss reserve represents cumulative profit or losses, net of dividends.
- The share premium reserve contains the premium arising on issue of equity shares net of issue expense.

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption included in FRS 102 section 8 "Related Party Disclosures" for wholly owned subsidiaries not to disclose transactions with entities that are part of the group qualifying as related parties.

QA-IQ GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 June 2017

15. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

On 15 June 2016 the Group undertook a Group reconstruction. This exercise involved the incorporation of Ichnaea Jersey Topco Limited as the new ultimate holding Company and Ichnaea UK Bidco Limited as a new sub holding Company, wholly owned by Ichnaea Jersey Topco Limited. Ichnaea UK Bidco Limited acquired all the issued shares of Ichnaea Jersey Holdings Limited and from that date the directors regard Ichnaea Jersey Topco Limited as the ultimate holding company.

The Ultimate controlling party at 2 June 2017 was Engcap.Lux QAIQ S.a.r.l through its holding 79.1% of the voting rights of Ichnaea Jersey Topco Limited. Subsequent to the year end the ownership of the Group changed. The directors now regard IndigoCyan Holdings Jersey Limited, a company registered in Jersey, through its holding of 85% of the voting rights of IndigoCyan Topco Limited as the ultimate controlling party and IndigoCyan Topco Limited as ultimate holding company.

The smallest group in which the results of the company are consolidated for the year ended 2 June 2017 is that headed by is Ichnaea Jersey Topco Limited. Copies of the consolidated accounts of Ichnaea Jersey Topco Limited which include the results of the company can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The company's registered address is 1 Waverley Place, Union Street, St Helier, Jersey, JE1 1SG.