

COMPANIES HOUSE COPY

QubicaAMF UK Limited

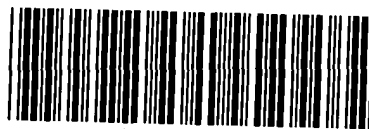
Director's Report and Financial Statements

Year Ended

31 December 2017

Company Number 08207080

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COMPANIES HOUSE

QubicaAMF UK Limited

Company Information

Director	C F Caesar
Registered number	08207080
Registered office	100 New Bridge Street London EC4V 6JA
Independent auditors	BDO LLP Two Snowhill Birmingham B4 6GA

QubicaAMF UK Limited

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QubicaAMF UK Limited

Director's Report For the Year Ended 31 December 2017

The director presents his report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the business is the sale and installation of ten pin bowling equipment to commercial customers.

Results and dividends

The loss for the year, after taxation, amounted to £301,304 (2016 - £435,291).

Director

The director who served during the year was:

C F Caesar

Director's responsibilities statement

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements 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 Company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Disclosure of information to auditors

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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's auditors are aware of that information.

QubicaAMF UK Limited

Director's Report (continued) For the Year Ended 31 December 2017

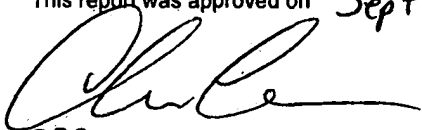
Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

This report was approved on *Sept 27, 2018* and signed on its behalf.



C F Caesar
Director

QubicaAMF UK Limited

Independent Auditors' Report to the Members of QubicaAMF UK Limited

Opinion

We have audited the financial statements of QubicaAMF UK Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 company'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 included in the annual report, other than the financial statements and our auditor's report 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.

QubicaAMF UK Limited

Independent Auditors' Report to the Members of QubicaAMF UK Limited (continued)

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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 is 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 auditor's report.

QubicaAMF UK Limited

Independent Auditors' Report to the Members of QubicaAMF UK Limited (continued)

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 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.

BDO LLP

Teresa Darby (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham
United Kingdom 28 September 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

QubicaAMF UK Limited

Statement of Income and Retained Earnings For the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover		3,601,833	2,426,641
Cost of sales		(3,268,168)	(1,967,677)
Gross profit		<u>333,665</u>	<u>458,964</u>
Distribution costs		(42,141)	(39,559)
Administrative expenses (including exceptional foreign exchange gain of £158,590 (2016 loss - £211,115) - See note 8)		(592,828)	(854,696)
Operating loss	4	<u>(301,304)</u>	<u>(435,291)</u>
Loss after tax		<u>(301,304)</u>	<u>(435,291)</u>
Retained deficit at the beginning of the year		(1,523,026)	(1,087,735)
		(1,523,026)	(1,087,735)
Loss for the year		(301,304)	(435,291)
Retained deficit at the end of the year		<u>(1,824,330)</u>	<u>(1,523,026)</u>

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

QubicaAMF UK Limited
Registered number: 08207080

Balance Sheet
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	11,058	3,061
		<u>11,058</u>	<u>3,061</u>
Current assets			
Stocks	10	144,158	57,782
Debtors: amounts falling due within one year	11	191,075	80,418
Cash at bank and in hand		63,312	78,708
		<u>398,545</u>	<u>216,908</u>
Creditors: amounts falling due within one year	12	(2,226,432)	(1,742,994)
Net current liabilities		<u>(1,827,887)</u>	<u>(1,526,086)</u>
Total assets less current liabilities		<u>(1,816,829)</u>	<u>(1,523,025)</u>
Provisions for liabilities			
Warranty provision	13	(7,500)	-
		<u>(7,500)</u>	<u>-</u>
Net liabilities		<u>(1,824,329)</u>	<u>(1,523,025)</u>
Capital and reserves			
Called up share capital	14	1	1
Profit and loss account		(1,824,330)	(1,523,026)
		<u>(1,824,329)</u>	<u>(1,523,025)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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


C F Caesar
Director

Sept 27, 2018

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

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

1. General information

QubicaAMF UK Limited is a private limited company, limited by shares, incorporated in England and Wales, the address of which can be found on the company information page.

The principal activity of the company is the sale and installation of ten pin bowling equipment to commercial customers.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

At 31 December 2017 the company had net liabilities of £1,824,329 (2016 - £1,523,025).

The accounts have been prepared on a going concern basis. The director has received assurances from the parent company confirming that it will continue to support the company to enable it to meet its liabilities as they fall due for at least a 12 month period following approval of these financial statements. The director considers that the company will be able to operate within its current facility limits for the 12 month period from the date of approval of the financial statements, with additional funding from the parent undertaking if required.

Taking these factors into account the director has concluded that the company will have adequate working capital to enable it to continue trading and meet its liabilities as they become due during the 12 month period following approval of these financial statements. For these reasons the director has continued to adopt the going concern basis in preparing the annual report and accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3 years
Fixtures and fittings	- 3 years
Office equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are 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.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings within administrative expenses.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 January 2016) to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.13 Warranty provision

The company offers warranties to customers in respect of the products it supplies. Provision is made for any costs which are expected to be incurred after the year end under the terms of those warranties.

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies set out above management is required to make certain estimates and judgements concerning the future. These judgements are regularly reviewed and updated as necessary. The estimates and judgements that have the most significant effect on the amounts included in these financial statements are as follows:

Doubtful debts

The company reviews the recoverability of trade debtors and makes allowances for doubtful debts where considered appropriate.

Stock impairment

At each reporting date, amounts in stock are assessed for recoverability. If there is any evidence of impairment, the carrying amount of stock is reduced to its recoverable amount. The impairment loss is recognised immediately in profit or loss for the year.

4. Operating loss

The operating loss is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	3,144	4,116
Exchange differences	(158,590)	211,115
Other operating lease rentals	18,000	18,000
Defined contribution pension cost	21,947	20,543

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

5. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £8,000 (2016 - £8,000).

6. Employees

The average monthly number of employees, including directors, during the year was 7 (2016 - 6).

7. Director's remuneration

The director received no emoluments during the year (2016: £Nil).

8. Exceptional

	2017	2016
	£	£
Exchange differences	(158,590)	211,115
	(158,590)	211,115

Following strengthening of sterling during the year exceptional exchange gains arose on retranslation of intergroup balances.

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

9. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2017	12,380	4,086	18,558	35,024
Additions	-	2,820	8,321	11,141
At 31 December 2017	12,380	6,906	26,879	46,165
Depreciation				
At 1 January 2017	12,056	4,086	15,821	31,963
Charge for the year on owned assets	216	235	2,693	3,144
At 31 December 2017	12,272	4,321	18,514	35,107
Net book value				
At 31 December 2017	108	2,585	8,365	11,058
At 31 December 2016	324	-	2,737	3,061

10. Stocks

	2017 £	2016 £
Finished goods	144,158	57,782
	144,158	57,782

11. Debtors

	2017 £	2016 £
Trade debtors	165,467	43,180
Other debtors	25,608	37,238
	191,075	80,418

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

12. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	29,577	19,723
Amounts owed to group undertakings	1,916,689	1,515,427
Other taxation and social security	20,122	11,386
Other creditors	260,044	196,458
	<u>2,226,432</u>	<u>1,742,994</u>

13. Provisions

	Warranty provision £
Charged to profit or loss	7,500
At 31 December 2017	<u>7,500</u>

The provision represents an estimate of the costs to be incurred by the company in respect of warranties on products sold. It is estimated that the year end provision will be utilised within two years.

14. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

15. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £21,947 (2016 - £20,543). There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

QubicaAMF UK Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

16. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017	2016
	£	£
Not later than 1 year	16,500	16,500
	<u>16,500</u>	<u>16,500</u>

17. Related party transactions

As permitted by the Financial Reporting Standard 102 section 1A - small entities, the company has not disclosed transactions with other companies within the group entirely controlled by Qubica Holdings S.R.L.

18. Controlling party

The company's parent undertaking is QubicaAMF BV, incorporated in The Netherlands. The ultimate parent undertaking is Qubica Holdings S.R.L. incorporated in Italy, whose registered office is Via della Croce Coperta 15, 40128 Bologna, Italy. There is no one ultimate controlling party.