

Company Registration No. 04978939 (England and Wales)

**FLEXICOVERS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

**FLEXICOVERS LIMITED**

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# FLEXICOVERS LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	4		83,908		82,378
<b>Current assets</b>					
Stocks		55,260		46,900	
Debtors	5	990,106		611,540	
Cash at bank and in hand		187,995		197,133	
		<u>1,233,361</u>		<u>855,573</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(876,851)</u>		<u>(682,931)</u>	
<b>Net current assets</b>			356,510		172,642
<b>Total assets less current liabilities</b>			<u>440,418</u>		<u>255,020</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(28,221)		(31,480)
<b>Provisions for liabilities</b>			<u>(9,200)</u>		<u>(9,097)</u>
<b>Net assets</b>			<u>402,997</u>		<u>214,443</u>
<b>Capital and reserves</b>					
Called up share capital	8		147		147
Share premium account			13,343		13,343
Profit and loss reserves			<u>389,507</u>		<u>200,953</u>
<b>Total equity</b>			<u>402,997</u>		<u>214,443</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial Year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the Year in question in accordance with section 476.

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

# **FLEXICOVERS LIMITED**

## **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

***AS AT 31 DECEMBER 2018***

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The financial statements were approved by the board of directors and authorised for issue on 26 September 2019 and are signed on its behalf by:

Mr David Gray

**Director**

**Company Registration No. 04978939**

# FLEXICOVERS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2017</b>		147	13,343	207,250	220,740
<b>Period ended 31 December 2017:</b>					
Profit and total comprehensive income for the period		-	-	387,603	387,603
Dividends		-	-	(393,900)	(393,900)
<b>Balance at 31 December 2017</b>		147	13,343	200,953	214,443
<b>Period ended 31 December 2018:</b>					
Profit and total comprehensive income for the period		-	-	453,654	453,654
Dividends		-	-	(265,100)	(265,100)
<b>Balance at 31 December 2018</b>		147	13,343	389,507	402,997

# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### ***FOR THE YEAR ENDED 31 DECEMBER 2018***

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#### **1 Accounting policies**

##### **Company information**

Flexicovers Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 Glasshouse Studios, Fryern Court Road, Fordingbridge, Hampshire, UK, SP6 1QX. The place of business is 7 The Courtyard, Thrush Road, Poole, Dorset, BH12 4NP

The comparatives for December 2016 represent a 9 month period and therefore are not comparable.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.5 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.6 Cash at bank and in hand**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.7 Financial instruments**

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

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

#### **Basic financial liabilities**

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Equity instruments

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

### 1.9 Taxation

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

#### **Current tax**

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



# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

**(Continued)**

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### **2 Employees**

The average monthly number of persons (including directors) employed by the company during the Year was 40 (2017 - 30).

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 3 Intangible fixed assets

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	144,326
<b>Amortisation and impairment</b>	
At 1 January 2018 and 31 December 2018	144,326
<b>Carrying amount</b>	
At 31 December 2018	-
At 31 December 2017	-

### 4 Tangible fixed assets

	<b>Plant and machinery etc £</b>	<b>£</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2018	477,506	-	477,506
Additions	24,500	5,000	29,500
At 31 December 2018	502,006	5,000	507,006
<b>Depreciation and impairment</b>			
At 1 January 2018	395,128	-	395,128
Depreciation charged in the Year	26,720	1,250	27,970
At 31 December 2018	421,848	1,250	423,098
<b>Carrying amount</b>			
At 31 December 2018	80,158	3,750	83,908
At 31 December 2017	82,378	-	82,378

### 5 Debtors

	<b>2018 £</b>	<b>2017 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	960,174	589,035
Corporation tax recoverable	5,253	-
Other debtors	955	-
Prepayments and accrued income	23,724	22,505
	990,106	611,540

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	480	-
Obligations under finance leases	26,048	21,046
Payments received on account	-	30,206
Trade creditors	587,390	395,070
Corporation tax	73,825	80,528
Other taxation and social security	169,486	114,104
Other creditors	19,622	39,269
Accruals and deferred income	-	2,708
	<u>876,851</u>	<u>682,931</u>

### 7 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases		<u>28,221</u>	<u>31,480</u>

Net obligations under hire purchase contracts are secured on the assets they relate to.

### 8 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary "A" shares of £1 each	100	100
10 Ordinary "B" shares of £1 each	10	10
10 Ordinary "C" shares of £1 each	10	10
10 Ordinary "D" shares of £1 each	10	10
10 Ordinary "E" shares of £1 each	10	10
7 Ordinary "F" shares of £1 each	7	7
	<u>147</u>	<u>147</u>

### 9 Financial commitments, guarantees and contingent liabilities

On 23/04/2004 the Company entered into a debenture in favour of The Governor and Company of the Bank of Scotland, by way of a fixed and floating charge over the assets of the Company.

# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2018***

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### **10 Operating lease commitments**

Operating lease payments represent rentals payable by the company for commercial property at the market rate.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

<b>2018</b>	<b>2017</b>
<b>£</b>	<b>£</b>
34,479	-
<u>          </u>	<u>          </u>

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 11 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
<b>Amounts owed to related parties</b>		
Directors	16,700	236
	<u>16,700</u>	<u>236</u>
	<u><u>16,700</u></u>	<u><u>236</u></u>

### 12 Directors' transactions

Dividends totalling £265,100 (2017 - £393,900) were paid in the Year in respect of shares held by the company's directors.

