

Company Registration No. 04978939 (England and Wales)

**FLEXICOVERS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2016**  
**PAGES FOR FILING WITH REGISTRAR**

# FLEXICOVERS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr David Gray Mrs Donia Gray Mr Richard Gray Mrs Tracy Gray Mr William Wilson
<b>Secretary</b>	Total Tax And Accounts Ltd
<b>Company number</b>	04978939
<b>Registered office</b>	17 Glasshouse Studios Fryern Court Road Fordingbridge Hampshire UK SP6 1QX
<b>Accountants</b>	Total Tax and Accounts Ltd 17 Glasshouse Studios Fryern Court Road Fordingbridge Hampshire SP6 1QX

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**FLEXICOVERS LIMITED**

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# FLEXICOVERS LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £
<b>Fixed assets</b>			
Goodwill	3	-	1
Tangible assets	4	72,335	89,031
		<u>72,335</u>	<u>89,032</u>
<b>Current assets</b>			
Stocks		54,700	74,200
Debtors	5	462,364	456,058
Cash at bank and in hand		69,548	48,813
		<u>586,612</u>	<u>579,071</u>
<b>Creditors: amounts falling due within one year</b>	6	(404,964)	(489,357)
<b>Net current assets</b>		<u>181,648</u>	<u>89,714</u>
<b>Total assets less current liabilities</b>		<u>253,983</u>	<u>178,746</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(18,776)	(28,572)
<b>Provisions for liabilities</b>		<u>(14,467)</u>	<u>(17,806)</u>
<b>Net assets</b>		<u>220,740</u>	<u>132,368</u>
<b>Capital and reserves</b>			
Called up share capital	8	147	147
Share premium account		13,343	13,343
Profit and loss reserves		207,250	118,878
<b>Total equity</b>		<u>220,740</u>	<u>132,368</u>

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

For the financial Period ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 Period 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 2016***

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The financial statements were approved by the board of directors and authorised for issue on 6 June 2017 and are signed on its behalf by:

Mr David Gray

**Director**

**Company Registration No. 04978939**

# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE PERIOD ENDED 31 DECEMBER 2016**

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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 accounting reporting date has been shortened to 9 months. The comparatives for March 2016 represent a 12 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.

These financial statements for the Period ended 31 December 2016 are the first financial statements of Flexicovers Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

#### **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 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.4 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.

#### 1.5 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.

#### 1.6 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.

# **FLEXICOVERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

**(Continued)**

#### **1.7 Cash and cash equivalents**

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.

#### **1.8 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.

##### ***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.

#### **1.9 Equity instruments**

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

#### **1.10 Taxation**

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



# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **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.

#### **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.

#### **1.11 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.

#### **1.12 Retirement benefits**

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

#### **1.13 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 the income statement 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 Period was 25 (2016 - 25).

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

### 3 Intangible fixed assets

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 April 2016 and 31 December 2016	144,326
<b>Amortisation and impairment</b>	
At 1 April 2016 and 31 December 2016	144,326
<b>Carrying amount</b>	
At 31 December 2016	-
At 31 March 2016	1

### 4 Tangible fixed assets

	<b>Plant and machinery etc £</b>
<b>Cost</b>	
At 1 April 2016 and 31 December 2016	440,004
<b>Depreciation and impairment</b>	
At 1 April 2016	350,975
Depreciation charged in the Period	16,694
At 31 December 2016	367,669
<b>Carrying amount</b>	
At 31 December 2016	72,335
At 31 March 2016	89,031

### 5 Debtors

	<b>2016 £</b>	<b>2016 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	440,646	453,746
Other debtors	21,718	2,312
	462,364	456,058

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

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

	Notes	2016 £	2016 £
Obligations under finance leases		9,796	20,509
Trade creditors		211,703	305,768
Corporation tax		78,476	62,361
Other taxation and social security		82,537	58,122
Other creditors		22,452	8,326
Accruals and deferred income		-	34,271
		<u>404,964</u>	<u>489,357</u>

Net obligations under hire purchase contracts are secured.

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

	2016 £	2016 £
Other creditors	18,776	28,572
	<u>18,776</u>	<u>28,572</u>

Net obligations under hire purchase contracts are secured.

### 8 Called up share capital

	2016 £	2016 £
<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
	<u>120</u>	<u>120</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
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>27</u>	<u>27</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 PERIOD ENDED 31 DECEMBER 2016

### 10 Related party transactions

The following amounts were outstanding at the reporting end date:

	2016 £	2016 £
<b>Amounts owed to related parties</b>		
Other related parties	215	591
	<u>215</u>	<u>591</u>
	<u><u>215</u></u>	<u><u>591</u></u>

David Gray, a director, maintains a loan account with the Company. At the period end the Company owed David Gray £54 ( March 2016: £38). The loan is interest free and repayable on demand.

Tracy Gray, a director, maintains a loan account with the Company. At the period end the Company owed Tracy Gray £34 (March 2016: £55). The loan is interest free and repayable on demand.

Richard Gray, a director, maintains a loan account with the Company. At the period end the Company owed Richard Gray £49 (March 2016: £389). The loan is interest free and repayable on demand.

Donia Gray, a director, maintains a loan account with the Company. At the period end the Company owed Donia Gray £49 (March 2016: £67) . The loan is interest free and repayable on demand.

William Wilson, a director, maintains a loan account with the Company. At the year end the Company owed William Wilson £31 (March 2016: £42). The loan is interest free and repayable on demand.

### 11 Directors' transactions

Dividends totalling £208,400 (2016 - £361,100) were paid in the Period in respect of shares held by the company's directors.

### 12 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

	Notes	1 April 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		278,093	166,639
Adjustments arising from transition to FRS 102:			
Holiday Pay Accrual	1	(30,000)	(34,271)
Equity reported under FRS 102		<u>248,093</u>	<u>132,368</u>

# FLEXICOVERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

### 12 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		249,646
Adjustments arising from transition to FRS 102: Holiday Pay Accrual	1	(4,271)
Profit reported under FRS 102		<u>245,375</u>

#### Notes to reconciliations on adoption of FRS 102

##### Holiday pay accrual

Prior to applying FRS102 the Company did not make provision for holiday pay (ie holiday earned but not taken prior to the year-end). Consequently an additional accrual of £34,271 has been made for the year ended 31st March 2016.

