

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015
FOR
FLEX-R LIMITED**

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FOR THE YEAR ENDED 31 MAY 2015**

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FLEX-R LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2015

DIRECTORS:

Mrs G D Rodgers
Mr R C Monro
Mr C Lodge
Mr I Jackson

SECRETARY:

Mr R C Monro

REGISTERED OFFICE:

Mercury House
19-21 Chapel Street
Marlow
Buckinghamshire
SL7 3HN

REGISTERED NUMBER:

03984573 (England and Wales)

AUDITORS:

Richardson Jones
Registered Auditors &
Chartered Accountants
Mercury House
19-21 Chapel Street
Marlow
Buckinghamshire
SL7 3HN

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2015**

The directors present their report with the financial statements of the company for the year ended 31 May 2015.

DIRECTORS

Mrs G D Rodgers has held office during the whole of the period from 1 June 2014 to the date of this report.

Other changes in directors holding office are as follows:

Mr C W Rodgers - resigned 30 April 2015
Mr R C Monro - appointed 1 May 2015
Mr C Lodge - appointed 1 May 2015
Mr I Jackson - appointed 1 May 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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). 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 judgements 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 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Richardson Jones, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr R C Monro - Secretary

1 October 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FLEX-R LIMITED

We have audited the financial statements of Flex-R Limited for the year ended 31 May 2015 on pages five to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 Report of the Directors 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 31 May 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FLEX-R LIMITED**

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Christopher Jones (Senior Statutory Auditor)
for and on behalf of Richardson Jones
Registered Auditors &
Chartered Accountants
Mercury House
19-21 Chapel Street
Marlow
Buckinghamshire
SL7 3HN

1 October 2015

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2015**

	Notes	31.5.15 £	31.5.14 £
TURNOVER		9,144,641	7,553,144
Cost of sales		<u>4,971,395</u>	<u>4,308,347</u>
GROSS PROFIT		4,173,246	3,244,797
Administrative expenses		<u>1,517,178</u>	<u>2,145,319</u>
OPERATING PROFIT	2	2,656,068	1,099,478
Interest receivable and similar income		<u>440</u>	<u>274</u>
		2,656,508	1,099,752
Interest payable and similar charges		<u>6,445</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,650,063	1,099,752
Tax on profit on ordinary activities	4	<u>553,416</u>	<u>474,483</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>2,096,647</u></u>	<u><u>625,269</u></u>

The notes form part of these financial statements

BALANCE SHEET
31 MAY 2015

	Notes	31.5.15 £	£	31.5.14 £	£
FIXED ASSETS					
Tangible assets	6		142,923		163,979
CURRENT ASSETS					
Stocks		1,898,804		1,712,636	
Debtors	7	1,216,497		1,019,058	
Cash at bank and in hand		<u>1,414,908</u>		<u>314,927</u>	
		4,530,209		3,046,621	
CREDITORS					
Amounts falling due within one year	8	<u>969,851</u>		<u>1,602,191</u>	
NET CURRENT ASSETS			<u>3,560,358</u>		<u>1,444,430</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,703,281</u>		<u>1,608,409</u>
PROVISIONS FOR LIABILITIES	9		<u>14,104</u>		<u>15,879</u>
NET ASSETS			<u><u>3,689,177</u></u>		<u><u>1,592,530</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		100		100
Profit and loss account	11		<u>3,689,077</u>		<u>1,592,430</u>
SHAREHOLDERS' FUNDS			<u><u>3,689,177</u></u>		<u><u>1,592,530</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 1 October 2015 and were signed on its behalf by:

Mr R C Monro - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture and equipment	- 100% on cost, 50% on cost, 33% on cost and 25% on cost
Motor vehicles	- 33% on cost and 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction.

Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.5.15	31.5.14
	£	£
Depreciation - owned assets	105,556	94,925
Profit on disposal of fixed assets	(29,000)	(3,628)
Pension costs	<u>9,015</u>	<u>5,729</u>
Directors' remuneration and other benefits etc	<u>67,415</u>	<u>87,102</u>

3. EXCEPTIONAL ITEMS

During the previous year, the company advanced a loan of £1,000,000 to CRFR Limited, a company 100% owned by C W Rodgers, a director of both companies. This amount, together with a balance brought forward of £11,980 was written off in the previous year.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2015

4. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.5.15	31.5.14
	£	£
Current tax:		
UK corporation tax	555,191	462,679
Deferred tax	(1,775)	11,804
Tax on profit on ordinary activities	<u>553,416</u>	<u>474,483</u>

5. DIVIDENDS

	31.5.15	31.5.14
	£	£
Ordinary £1 shares shares of £1 each		
Interim	<u>-</u>	<u>350,000</u>

6. TANGIBLE FIXED ASSETS

	Furniture and equipment £	Motor vehicles £	Totals £
COST			
At 1 June 2014	282,434	143,029	425,463
Additions	23,752	136,896	160,648
Disposals	(27,248)	(162,801)	(190,049)
At 31 May 2015	<u>278,938</u>	<u>117,124</u>	<u>396,062</u>
DEPRECIATION			
At 1 June 2014	171,629	89,855	261,484
Charge for year	55,657	49,899	105,556
Eliminated on disposal	(24,850)	(89,051)	(113,901)
At 31 May 2015	<u>202,436</u>	<u>50,703</u>	<u>253,139</u>
NET BOOK VALUE			
At 31 May 2015	<u>76,502</u>	<u>66,421</u>	<u>142,923</u>
At 31 May 2014	<u>110,805</u>	<u>53,174</u>	<u>163,979</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.15	31.5.14
	£	£
Trade debtors	964,675	942,175
Other debtors	1,400	3,450
Amounts owed by associated company	6,000	-
Amounts owed by parent company	171,553	-
Prepayments	72,869	73,433
	<u>1,216,497</u>	<u>1,019,058</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2015

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.15	31.5.14
	£	£
Trade creditors	107,791	350,667
Corporation tax	323,852	462,679
Social security and other taxes	244,293	123,749
Other creditors	585	-
Director's loan account	-	600,000
Accrued expenses	293,330	65,096
	<u>969,851</u>	<u>1,602,191</u>

9. PROVISIONS FOR LIABILITIES

	31.5.15	31.5.14
	£	£
Deferred tax		
Accelerated capital allowances	<u>14,104</u>	<u>15,879</u>

	Deferred tax £
Balance at 1 June 2014	15,879
Accelerated capital allowances	(1,775)
Balance at 31 May 2015	<u>14,104</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.5.15	31.5.14
			£	£
NIL	Ordinary £1 shares	£1	-	100
(31.5.14 - 100)				
5,264	A Ordinary 1p shares	1p	53	-
4,736	B Ordinary 1p shares	1p	47	-
			<u>100</u>	<u>100</u>

On 27 April 2015, the company's share capital of 100 ordinary shares of £1 each was subdivided into 10,000 ordinary shares of 1p each.

On 30 April 2015, the 10,000 ordinary shares were reclassified as 5,264 ordinary A shares and 4,736 ordinary B shares.

The ordinary A shares have 95% of the voting rights and the ordinary B shares have 5% of the voting rights.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2015

11. RESERVES

Profit
and loss
account
£

At 1 June 2014	1,592,430
Profit for the year	2,096,647
At 31 May 2015	<u>3,689,077</u>

12. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of SIG Trading Limited, which is registered in England and Wales. The ultimate parent company is SIG plc, which is registered in England and Wales. The only group in which the financial statements of the Company are consolidated is that headed by SIG plc. The consolidated financial statements are available to the public and may be obtained from Hillsborough Works, Langsett Road, Sheffield, S6 2LW or via the company website www.sigplc.com.

13. RELATED PARTY DISCLOSURES

CRFR Limited

C W Rodgers is sole director and shareholder of this company.

The company rented its premises from CRFR Limited until 30 April 2015.

During the year the company paid rent of £110,000 (2014: £120,000) to CRFR Limited.

	31.5.15	31.5.14
	£	£
Amount due from related party at the balance sheet date	6,000	-
Amounts written off during the year	<u>-</u>	<u>1,011,980</u>

SIG Trading Limited

Flex-R became a subsidiary of SIG Trading Limited on 30 April 2015

During the year, the company made sales of goods to SIG Trading Limited of £499,108 (2014: £209,379).

	31.5.15	31.5.14
	£	£
Amount due from related party at the balance sheet date	<u>171,553</u>	<u>114,487</u>