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COMPANY REGISTRATION NUMBER 07297131

**Flexinet Limited**  
**Financial statements**  
**30 June 2016**

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COMPANIES HOUSE

# **Flexinet Limited**

## **Financial statements**

**Year ended 30 June 2016**

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# **Flexinet Limited**

## **Officers and professional advisers**

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### **The board of directors**

D J Murray  
D M Levine  
M D Chesler  
G R B Pitzer

### **Registered office**

c/o Sylvester Amiel Lewin & Horne LLP, Solicitors  
Top Floor, Pearl Assurance House  
319 Ballards Lane  
London  
N12 8LY

### **Auditor**

Moore Stephens Northern Home Counties Limited  
Chartered Accountants  
& Statutory Auditor  
First Floor  
73-75 High Street  
Stevenage  
Hertfordshire  
SG1 3HR

### **Bankers**

Clydesdale Bank PLC  
1 Georges Square  
Bath Street  
Bristol  
BS1 6BP

# **Flexinet Limited**

## **Directors' report**

### **Year ended 30 June 2016**

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The directors present their report and the financial statements of the company for the year ended 30 June 2016.

#### **Principal activities**

The principal activity of the company during the year was that of an investment holding company.

#### **Directors**

The directors who served the company during the year were as follows:

D J Murray  
D M Levine  
M D Chesler  
G R B Pitzer

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' 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). 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 year.

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.

#### **Auditor**

Moore Stephens Northern Home Counties Limited have been re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

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

# **Flexinet Limited**

## **Directors' report** *(continued)*

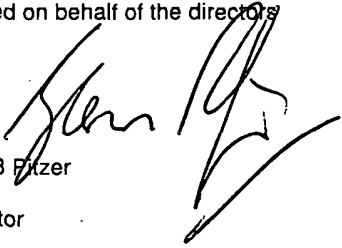
**Year ended 30 June 2016**

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### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed on behalf of the directors

  
G R B Pitzer

Director

Approved by the directors on 12 December 2016

# **Flexinet Limited**

## **Independent auditor's report to the shareholders of Flexinet Limited**

**Year ended 30 June 2016**

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We have audited the financial statements of Flexinet Limited for the year ended 30 June 2016 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 Statement of Directors' Responsibilities set out on page 2, 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 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 30 June 2016 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Flexinet Limited

### Independent auditor's report to the shareholders of Flexinet Limited *(continued)*

Year ended 30 June 2016

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#### 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 in preparing the directors' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.

*Moore Stephens Northern Home Counties Limited*

MARK STEVENS (Senior Statutory Auditor)  
For and on behalf of  
MOORE STEPHENS NORTHERN HOME COUNTIES LIMITED  
Chartered Accountants & Statutory Auditor

First Floor  
73-75 High Street  
Stevenage  
Hertfordshire  
SG1 3HR

12 December 2016

# **Flexinet Limited**

## **Profit and loss account**

**Year ended 30 June 2016**

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	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Turnover</b>		-	-
Administrative expenses		8	963
Other operating income	2	(89,515)	(36,000)
<b>Operating profit</b>	3	89,507	35,037
Income from shares in group undertakings	4	56,020	-
Interest receivable	5	-	41,922
Interest payable and similar charges		(20,289)	(41,922)
<b>Profit on ordinary activities before taxation</b>		125,238	35,037
Tax on profit on ordinary activities	6	-	-
<b>Profit for the financial year</b>		<u>125,238</u>	<u>35,037</u>

The notes on pages 8 to 12 form part of these financial statements.



# Flexinet Limited

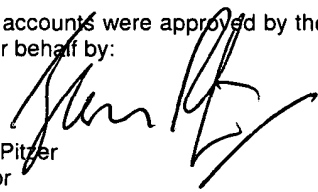
## Balance sheet

30 June 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Investments	7	<u>100</u>	<u>100</u>
<b>Current assets</b>			
Debtors	8	56,948	63,493
Cash at bank		<u>200</u>	<u>-</u>
		57,148	63,493
<b>Creditors: amounts falling due within one year</b>	9	<u>33,409</u>	<u>164,992</u>
<b>Net current assets/(liabilities)</b>		23,739	(101,499)
<b>Total assets less current liabilities</b>		<u>23,839</u>	<u>(101,399)</u>
<b>Capital and reserves</b>			
Called up equity share capital	11	1,000	1,000
Share premium account	12	959,828	959,828
Profit and loss account	13	<u>(936,989)</u>	<u>(1,062,227)</u>
<b>Shareholders' funds/(deficit)</b>		<u>23,839</u>	<u>(101,399)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the directors and authorised for issue on 12 December 2016, and are signed on their behalf by:

  
G R B Pitzer  
Director

Company Registration Number: 07297131

The notes on pages 8 to 12 form part of these financial statements.

# Flexinet Limited

## Notes to the financial statements

Year ended 30 June 2016

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### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

#### Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

#### Fixed assets

All fixed assets are initially recorded as cost.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### 2. Other operating income

	2016 £	2015 £
Management charges receivable	<u>89,515</u>	<u>36,000</u>

### 3. Operating profit

Operating profit is stated after charging:

	2016 £	2015 £
Auditor's fees	<u>-</u>	<u>890</u>

### 4. Income from shares in group undertakings

	2016 £	2015 £
Income from group undertakings	<u>56,020</u>	<u>-</u>

# Flexinet Limited

## Notes to the financial statements

Year ended 30 June 2016

### 5. Interest receivable

	2016 £	2015 £
Interest from group undertakings	<u>—</u>	<u>41,922</u>

### 6. Taxation on ordinary activities

#### (a) Factors that may affect future tax charges

At the 30 June 2016 tax losses of approximately £709,623 (2015 - £778,841) were available to set off against future trading profits. This has resulted in a potential deferred tax asset of £141,925 (2015 - £155,768). Due to the uncertainty regarding the timing of future trading profits the asset has not been recognised.

### 7. Investments

	Associated undertakings  £
<b>Cost</b>	
At 1 July 2015 and 30 June 2016	<u>4,151,405</u>
<b>Amounts written off</b>	
At 1 July 2015 and 30 June 2016	<u>4,151,305</u>
<b>Net book value</b>	
At 30 June 2016 and 30 June 2015	<u>100</u>

# Flexinet Limited

## Notes to the financial statements

Year ended 30 June 2016

### 7. Investments (continued)

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
<b>Subsidiary undertakings</b>				
Held by the company:				
Cheval Bridging Finance Limited	England & Wales	Ordinary shares		Granting of short-term loans secured by legal charges 100% held over land and buildings

Flexinet Limited is the immediate parent of the above company.

Company	Capital and reserves	Profit for the year
Cheval Bridging Finance Limited	100	—

### 8. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and participating interests	56,638	63,183
Called up share capital not paid	310	310
	<u>56,948</u>	<u>63,493</u>

### 9. Creditors: amounts falling due within one year

	2016 £	2015 £
Overdrafts	—	5
Amounts owed to group undertakings	7,933	—
Other creditors	2,000	—
Accruals and deferred income	23,476	164,987
	<u>33,409</u>	<u>164,992</u>

# Flexinet Limited

## Notes to the financial statements

### Year ended 30 June 2016

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#### 10. Related party transactions

The Greater London Finance Company Limited and Heleni Investments Limited both own 240 A shares, being a 24% interest in the shares of the company and hence are deemed to be related parties. Interest paid on outstanding interest due from loan notes in prior years, totalled £12,117 (2015 - £25,064) to The Greater London Finance Company Limited and £4,039 (2015 - £8,341) to Heleni Investments Limited.

At the balance sheet date The Greater London Finance Company Limited owed the company £56,638 (2015 - £Nil), which is disclosed under amounts due from group companies and participating interests.

The company received interest in the year from its subsidiary company, Cheval Bridging Finance Limited, totalling £Nil (2015 - £41,922) and management charges totalling £89,515 (2015 - £36,000). The amount owed by Cheval Bridging Finance Limited at 30 June 2016 was £7,933.

#### 11. Share capital

##### Allotted and called up:

	2016		2015	
	No.	£	No.	£
Ordinary A shares of £1 each	550	550	550	550
Ordinary B shares of £1 each	350	350	350	350
Ordinary C shares of £1 each	100	100	100	100
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2016	2015
	£	£
Ordinary A shares	<u>310</u>	<u>310</u>

A, B and C shares have equal voting rights.

#### 12. Share premium account

There was no movement on the share premium account during the financial year.

**Flexinet Limited**

**Notes to the financial statements**

**Year ended 30 June 2016**

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**13. Profit and loss account**

	2016 £	2015 £
Balance brought forward	(1,062,227)	(1,097,264)
Profit for the financial year	<u>125,238</u>	<u>35,037</u>
Balance carried forward	<u>(936,989)</u>	<u>(1,062,227)</u>