

Company Registration No. 08871283 (England and Wales)

FLEXIMIZE SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019
PAGES FOR FILING WITH REGISTRAR

FLEXIMIZE SERVICES LIMITED

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FLEXIMIZE SERVICES LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		6,621		5,748
Current assets					
Debtors	4	244,436		45,796	
Cash at bank and in hand		3,083		6,009	
		<u>247,519</u>		<u>51,805</u>	
Creditors: amounts falling due within one year	5	<u>(7,637,543)</u>		<u>(5,413,644)</u>	
Net current liabilities			<u>(7,390,024)</u>		<u>(5,361,839)</u>
Total assets less current liabilities			<u><u>(7,383,403)</u></u>		<u><u>(5,356,091)</u></u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>(7,383,404)</u>		<u>(5,356,092)</u>
Total equity			<u><u>(7,383,403)</u></u>		<u><u>(5,356,091)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2019 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.

The financial statements were approved by the board of directors and authorised for issue on 24 April 2020 and are signed on its behalf by:

D O'Sullivan
Director

Company Registration No. 08871283

FLEXIMIZE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Fleximize Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Holbrook House, 51 John Street, Ipswich, Suffolk, IP3 0AH.

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 Going concern

The company is a service company for the Alterium group of companies. Despite the loss making position of the group, the directors have prepared the financial statements on a going concern basis, which they believe to be appropriate for the reasons set out below:

There has been additional funding agreed post year end for the group, which is detailed in the post balance sheet events note and the directors are in advanced discussions with another lender to provide an additional credit line.

In addition to this a substantial portion of spending within the group is discretionary and entirely within the control of the directors which allows the loan book to be maintained at its current level without the need for additional funding.

Since the year end the UK, and the rest of the world, has been struck by the Covid-19 pandemic. The impact of the coronavirus will have a very significant effect on the economy and potentially the business during 2020. The directors have prepared revised cashflow forecasts which anticipate that the group will be able continue to meet its liabilities as they fall due. However, because not all future events or conditions can be predicted, it is not possible to guarantee the group's and the company's ability to continue as a going concern. The future of the world economy is unclear at this present time due to the ongoing COVID-19 outbreak and it is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

1.3 Tangible fixed assets

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Other fixed assets	4 years
Office equipment	3 years
Computer equipment	2 years

1.4 Impairment of fixed assets

The carrying amount of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

FLEXIMIZE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.5 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.

1.6 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 balance sheet 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.

1.7 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.

1.8 Taxation

FLEXIMIZE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Current tax

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by the UK Generally Accepted Accounting Practice applicable to Smaller Entities.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.9 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 42 (2018 - 40).

3 Tangible fixed assets

	Other fixed assets	Office equipment	Computer equipment	Total
	£	£	£	£
Cost				
At 1 August 2018	563	10,560	10,224	21,347
Additions	398	3,226	1,897	5,521
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	961	13,786	12,121	26,868
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 August 2018	47	6,610	8,942	15,599
Depreciation charged in the year	315	2,721	1,612	4,648
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	362	9,331	10,554	20,247
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At 31 July 2019	599	4,455	1,567	6,621
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2018	516	3,950	1,282	5,748
	<hr/>	<hr/>	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	176,976	-
Other debtors	67,460	45,796
	<u>244,436</u>	<u>45,796</u>

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	20,473	53,658
Amounts owed to group undertakings	7,550,917	5,302,565
Taxation and social security	45,564	38,938
Other creditors	20,589	18,483
	<u>7,637,543</u>	<u>5,413,644</u>

6 Contingent liabilities

The company has entered into a cross guarantee with its parent company and fellow subsidiary companies in respect of third party borrowing arrangements entered into by the group.

7 Events after the reporting date

On 20th March 2020, the senior facility with Hadrian's Wall Capital Ltd made available to the parent company, was replaced with a senior facility of £40.5m of which £22.8m has been drawn. The parent companies OpCo loan facility has been agreed for £9.5m of which £4.7m has been drawn.

Since the year end, the UK, and the whole world, has been struck by the Covid 19 pandemic. This does not have an effect on the financial position shown by these accounts.

8 Related party transactions

The company has taken advantage of the exemption to not disclose the related party transactions as the subsidiaries are wholly owned by the parent company.

9 Parent company

The company is a wholly-owned subsidiary of Alterium Limited, a company registered in England and Wales (registration number 08621989).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.