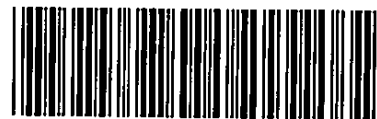


Company Registration No 05015443 (England and Wales)

**SEDEX INFORMATION EXCHANGE LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2010**

TUESDAY



\*A07HRT8E\*

A57

12/04/2011

159

COMPANIES HOUSE

# SEDEX INFORMATION EXCHANGE LIMITED

## COMPANY INFORMATION

---

### Directors

A Kemmer  
J P Bradley  
L C Nicholls  
R N Jones  
A Kariwala  
N A Pendleton (Appointed 16 February 2010)  
E Viswanathan (Appointed 16 February 2010)  
G Bolton (Appointed 2 March 2011)  
P Sobic (Appointed 2 March 2011)  
A Mealia (Appointed 2 March 2011)

### Company number

05015443

### Registered office

5th Floor  
24 Southwark Bridge Road  
London  
SE1 9HF

### Accountants

Goodman Jones LLP  
29/30 Fitzroy Square  
London  
W1T 6LQ

---

# SEDEX INFORMATION EXCHANGE LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 2
Income and expenditure account	3
Balance sheet	4
Notes to the financial statements	5 - 8

---

# SEDEX INFORMATION EXCHANGE LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2010

---

The directors present their report and financial statements for the year ended 31 August 2010

#### Principal activities

The principal activity of the company continued to be that of the provision of a business information exchange platform accessed via the internet. The platform's purpose is to provide members with transparency of their supply chains and to support their own ethical trade programmes.

#### Financial Results

The results of the company for the year ended 31 August, 2010 show a significant improvement over that of the previous year. The surplus for the year before taxation amounts to £494,000 compared with a deficit in the previous year of £106,000. However, it should be noted that the previous year's deficit arose largely from an exceptional settlement of £410,000 made in respect of a change in IT provider.

Turnover for the year increased 41% from £1,709,000 to £2,416,000, in part due to significant increase in membership. A and AB membership rose by 34% and B membership rose by 21%.

The value of tangible fixed assets declined from £914,000 to £739,000 largely due to depreciation applied to write down the new computer software over the 10 year period of the lease from the new IT supplier. During the year the company entered into a partnership agreement with the new IT supplier, Enablon, to acquire additional software support and development in exchange for a proportion of future revenues. This new contract provides long term security and capability to Sedex.

Administrative expenses rose during the year ended 31 August 2010. This included a £255,000 increase in payroll costs due to the increased number of employees. With the exception of the Chairman, none of the Directors received any remuneration from the company. Other administrative costs increased largely in line with expectations and business growth.

The company is a not-for-profit organisation and treated as a mutual organisation for taxation purposes, and only pays tax on its bank interest received gross. The surplus for the year to 31 August 2010, amounted to £494,000 and this has been added to the Members' Funds which now stands at £646,000.

#### In summary

Following the change in IT partner and a period of platform stabilisation the Directors believe that the company is now well positioned to achieve further new member growth across all membership types. Sedex has continued to achieve significant growth whilst many economies globally are experiencing very challenging operating environments. The investments made in 2009/10 financial year in the organisational structure also means that Sedex is well positioned to deliver for existing members in the coming year with planned improvements across all support areas.

#### Directors

The following directors have held office since 1 September 2009

A Kemmer	
T D Babbs	(Resigned 2 March 2011)
J P Bradley	
S Branch	(Resigned 28 October 2010)
L C Nicholls	
R N Jones	
A Kariwala	
P L Rowles	(Resigned 16 February 2010)

# SEDEX INFORMATION EXCHANGE LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2010**

---

N Lorne	(Resigned 16 February 2010)
J C Scott	(Resigned 2 March 2011)
N A Pendleton	(Appointed 16 February 2010)
E Viswanathan	(Appointed 16 February 2010)
G Bolton	(Appointed 2 March 2011)
P Sobic	(Appointed 2 March 2011)
A Mealia	(Appointed 2 March 2011)

### 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 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.

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

On behalf of the board

  
A Kemmer  
Director  
29/3/11

# SEDEX INFORMATION EXCHANGE LIMITED

## INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2010

	Notes	2010 £	2009 £
Turnover		2,416,019	1,709,180
Cost of sales		(660,246)	(956,294)
Gross surplus		1,755,773	752,886
Administrative expenses		(1,261,121)	(864,513)
Operating surplus/(deficit)	2	494,652	(111,627)
Other interest receivable and similar income	3	25	6,120
Surplus/(deficit) on ordinary activities before taxation		494,677	(105,507)
Tax on surplus/(deficit) on ordinary activities	4	(5)	(1,285)
Surplus/(deficit) for the year	10	494,672	(106,792)

The income and expenditure account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the income and expenditure account

# SEDEX INFORMATION EXCHANGE LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2010

Company Registration No. 05015443

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	5		739,289		914,258
<b>Current assets</b>					
Debtors	6	507,892		152,108	
Cash at bank and in hand		147,573		168,342	
		<u>655,465</u>		<u>320,450</u>	
<b>Creditors amounts falling due within one year</b>	7	<u>(475,382)</u>		<u>(599,550)</u>	
<b>Net current assets/(liabilities)</b>			<u>180,083</u>		<u>(279,100)</u>
<b>Total assets less current liabilities</b>			<u>919,372</u>		<u>635,158</u>
<b>Creditors amounts falling due after more than one year</b>	8		<u>(272,742)</u>		<u>(483,200)</u>
			<u>646,630</u>		<u>151,958</u>
<b>Members' funds</b>					
Reserves	10		<u>646,630</u>		<u>151,958</u>
<b>Members' funds</b>	11		<u>646,630</u>		<u>151,958</u>

For the financial year ended 31 August 2010 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on

29/3/11



A Kemmer  
Director

# SEDEX INFORMATION EXCHANGE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2010**

---

### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Compliance with and departure from accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

The profit and loss account is in the form of an income and expenditure account as this more accurately reflects the nature and activities of the company, which is a not for profit mutual undertaking

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer software and equipment	20% on a straight line basis
Fixtures, fittings & equipment	25% on a reducing balance basis

#### **1.5 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

#### **1.6 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

#### **1.7 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

<b>2 Operating surplus/(deficit)</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating surplus/(deficit) is stated after charging		
Depreciation of tangible assets	187,471	7,392
Loss on foreign exchange transactions	275	-
Directors' emoluments	4,167	-
	<u>          </u>	<u>          </u>



# SEDEX INFORMATION EXCHANGE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

3	Investment income	2010 £	2009 £
	Bank interest	25	6,120
		<u>25</u>	<u>6,120</u>

4	Taxation	2010 £	2009 £
	<b>Domestic current year tax</b>		
	U K corporation tax	5	1,285
	<b>Current tax charge</b>	<u>5</u>	<u>1,285</u>

The company is treated as a mutual organisation for corporation tax purposes. Tax is payable on bank interest only.

5	Tangible fixed assets	Computer software and equipment £	Plant and machinery £	Total £
	<b>Cost</b>			
	At 1 September 2009	892,081	38,189	930,270
	Additions	-	12,502	12,502
		<u>892,081</u>	<u>50,691</u>	<u>942,772</u>
	At 31 August 2010			
	<b>Depreciation</b>			
	At 1 September 2009	-	16,012	16,012
	Charge for the year	178,800	8,671	187,471
		<u>178,800</u>	<u>24,683</u>	<u>203,483</u>
	At 31 August 2010			
	<b>Net book value</b>			
	At 31 August 2010	<u>713,281</u>	<u>26,008</u>	<u>739,289</u>
	At 31 August 2009	<u>892,081</u>	<u>22,177</u>	<u>914,258</u>

# SEDEX INFORMATION EXCHANGE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

6 Debtors	2010 £	2009 £
Trade debtors	461,671	105,697
Other debtors	46,221	46,411
	<u>507,892</u>	<u>152,108</u>
7 Creditors amounts falling due within one year	2010 £	2009 £
Trade creditors	39,792	97,934
Taxation and social security	46,988	16,151
Other creditors	388,602	485,465
	<u>475,382</u>	<u>599,550</u>
8 Creditors amounts falling due after more than one year	2010 £	2009 £
Other creditors	<u>272,742</u>	<u>483,200</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	467,742	608,200
Included in current liabilities	(195,000)	(125,000)
	<u>272,742</u>	<u>483,200</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	272,742	195,000
In more than two years but not more than five years	-	288,200
	<u>-</u>	<u>288,200</u>

# SEDEX INFORMATION EXCHANGE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2010

#### 9 Pension and other post-retirement benefit commitments Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	13,138	18,669

#### 10 Statement of movements on reserve account

	Reserve account £
Balance at 1 September 2009	151,958
Surplus for the year	494,672
Balance at 31 August 2010	646,630

#### 11 Reconciliation of movements in members' funds

	2010 £	2009 £
(Deficit)/surplus for the financial year	494,672	(106,792)
Opening members' funds	151,958	258,750
Closing members' funds	646,630	151,958

#### 12 Transactions with directors

Consulting fees of £6,317 (2009 £10,000) were paid to A Kemmer in the year under review

#### 13 Control

There is no ultimate controlling party