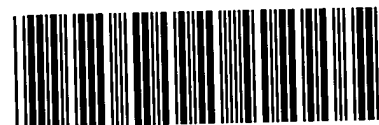


Company Registration No. 05015443 (England and Wales)

SEDEX INFORMATION EXCHANGE LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

TUESDAY



A20 *A3ZY3NTE* #419
27/01/2015
COMPANIES HOUSE

SEDEX INFORMATION EXCHANGE LIMITED

COMPANY INFORMATION

Directors

C Start
A Kariwala
L.C Nicholls
N Pendleton
E Viswanathan
A Hansen
G Padelopoulos
C Giblin
G Bolton
R Falkner
D J Lawrence (Appointed 8 October 2013)

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

	Page
Directors' report	1 - 2
Income and expenditure account	3
Balance sheet	4
Notes to the financial statements	5 - 9

SEDEX INFORMATION EXCHANGE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The directors present their report and financial statements for the year ended 31 August 2014.

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 2012 show a deficit before taxation of £159,000 compared with a net surplus of £11,000 for the previous year. Turnover for the year increased 5% from £3,048,000 to £3,198,000.

Direct operating costs rose 7% from £1,294,000 in the previous year to £1,380,000 in the current year, largely due to increased investment in the core Sedex data exchange and risk assessment system.

Administrative costs increased 13% to £1,977,000 largely due to increases in staff costs, support of growing global operations and investment in IT. These investments are critical to the future long term success of Sedex.

In addition during the year, the company established its two new subsidiaries, both of which commenced trading on 1 September, 2012: Sedex Solutions Limited which provides programme implementation support services such as supplier engagement and training for Sedex members and non-member companies, and Sedex Information Exchange (Shanghai) Limited which provides support services to Sedex members based in South East Asia.

The company is a not-for-profit organisation and treated as a mutual for taxation purposes, and only pays tax on its bank interest received gross. The deficit for the year to 31 August 2012 of £159,000 has been deducted from Members' Funds, which now stand at £499,000.

Directors

The following directors have held office since 1 September 2013:

C Start

A Kariwala

A Mealia

(Resigned 14 January 2014)

L.C Nicholls

N Pendleton

E Viswanathan

A Hansen

G Padelopoulos

C Giblin

G Bolton

R Falkner

D J Lawrence

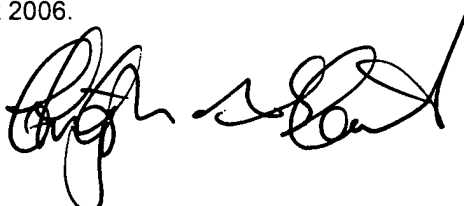
(Appointed 8 October 2013)

J Ivelaw-Chapman

(Appointed 8 October 2013 and resigned 1 August 2014)

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



20/1/15

SEDEX INFORMATION EXCHANGE LIMITED

DIRECTORS' REPORT (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2014*

C Start
Director

.....

SEDEX INFORMATION EXCHANGE LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Turnover		4,236,169	3,397,691
Cost of sales		(2,122,772)	(1,458,736)
Gross surplus		2,113,397	1,938,955
Administrative expenses		(2,041,545)	(1,874,749)
Surplus on ordinary activities before taxation	2	71,852	64,206
Tax on surplus on ordinary activities	3	-	-
Surplus for the year	9	71,852	64,206

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 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	4		491,479		603,864
Investments	5		104,371		104,371
			<u>595,850</u>		<u>708,235</u>
Current assets					
Debtors: amounts falling due within one year	6	1,030,823		512,320	
Cash at bank and in hand		566,657		270,024	
		<u>1,597,480</u>		<u>782,344</u>	
Creditors: amounts falling due within one year	7	<u>(1,558,196)</u>		<u>(927,297)</u>	
Net current assets/(liabilities)			<u>39,284</u>		<u>(144,953)</u>
Total assets less current liabilities			<u><u>635,134</u></u>		<u><u>563,282</u></u>
Members' funds					
Reserves	9		<u>635,134</u>		<u>563,282</u>
Members' funds	10		<u><u>635,134</u></u>		<u><u>563,282</u></u>

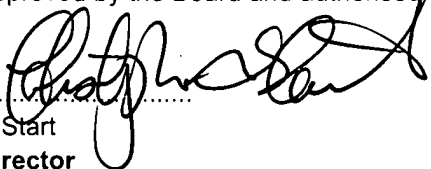
For the financial year ended 31 August 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

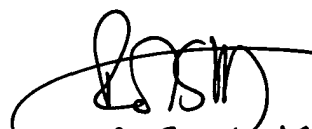
Directors' responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board and authorised for issue on 20th January 2015


C Start
Director


R. FAZEKAS
DIRECTOR

Company Registration No. 05015443

SEDEX INFORMATION EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

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 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 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.

1.8 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.

2 Operating profit

	2014 £	2013 £
Operating profit is stated after charging:		
Depreciation of tangible assets	357,672	315,314
Operating lease rentals	77,885	77,885
Directors' remuneration	114,450	33,333
	<u> </u>	<u> </u>

SEDEX INFORMATION EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

3	Taxation	2014	2013
	Total current tax	-	-
	Effects of:		
	Mutual income	(18,662)	(12,841)

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

4	Tangible fixed assets	Computer software and equipment	Fixtures, fittings & equipment	Total
		£	£	£
	Cost			
	At 1 September 2013	1,350,525	270,214	1,620,739
	Additions	236,700	10,357	247,057
	Disposals	(1,770)	-	(1,770)
	At 31 August 2014	1,585,455	280,571	1,866,026
	Depreciation			
	At 1 September 2013	860,058	156,817	1,016,875
	Charge for the year	315,056	42,616	357,672
	At 31 August 2014	1,175,114	199,433	1,374,547
	Net book value			
	At 31 August 2014	410,341	81,138	491,479
	At 31 August 2013	490,467	113,397	603,864

SEDEX INFORMATION EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

5 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 September 2013 & at 31 August 2014	104,371
Net book value	
At 31 August 2014	104,371
At 31 August 2013	104,371

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Sedex Solutions Limited	United Kingdom	Ordinary	100.00
Sedex Information Exchange (Shanghai) Limited	China	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
	Principal activity		
Sedex Solutions Limited	See below	122,746	31,304
Sedex Information Exchange (Shanghai) Limited	See below	207,691	105,294

The principal activity of Sedex Solutions Limited is the provision of professional consultancy services to the membership organisations of Sedex Information Exchange Limited.

These consultancy services include the training of members' management and staff, "on-boarding" of members' suppliers (i.e. assisting member organisations in encouraging their suppliers to upload the required data onto Sedex system), management of member' audit services, data cleansing services and the provision of data analysis and reporting, not readily available on the Sedex system.

The main business scope of Sedex Information Exchange (Shanghai) Limited includes business information consulting and business administration consulting.

SEDEX INFORMATION EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

6 Debtors	2014	2013
	£	£
Trade debtors	959,273	443,650
Other debtors	71,550	68,670
	<u>1,030,823</u>	<u>512,320</u>
7 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	122,639	142,671
Amounts owed to group undertakings and undertakings in which the company has a participating interest	355	2,526
Taxation and social security	75,509	63,901
Other creditors	1,359,693	718,199
	<u>1,558,196</u>	<u>927,297</u>
8 Pension and other post-retirement benefit commitments		
Defined contribution		
	2014	2013
	£	£
Contributions payable by the company for the year	<u>30,346</u>	<u>34,862</u>
9 Statement of movements on reserves		Reserves
		£
Balance at 1 September 2013		563,282
Surplus for the year		<u>71,852</u>
Balance at 31 August 2014		<u>635,134</u>

SEDEX INFORMATION EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10	Reconciliation of movements in members' funds	2014 £	2013 £
	Surplus for the financial year	71,852	64,206
	Opening members' funds	563,282	499,076
		<hr/>	<hr/>
	Closing members' funds	635,134	563,282
		<hr/>	<hr/>

11 Financial commitments

At 31 August 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2015:

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Between two and five years	91,983	91,983
	<hr/>	<hr/>

12 Transactions with directors

Consultancy fees of £76,930 (2013: £62,125) and expenses totalling £6,372 (2013: £5,376) were paid to Start Development BVBA, a company controlled by C. Start. Consultancy fees of £18,772 (2013: £nil) were paid to Sokwe Consulting Ltd, a company controlled by D. Lawrence. Professional fees of £6,023 (2013: £3,057) were paid to Lordship Consultants Ltd, a company controlled by R. Falkner.

13 Control

The company is controlled by its members.

14 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.