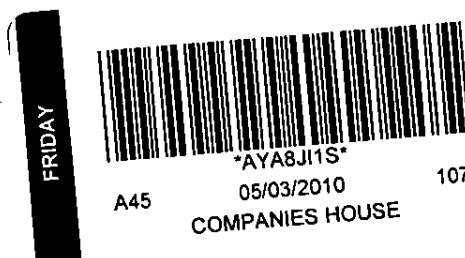


**REFLEX 2005 LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2009**



**HMT ASSURANCE LLP**  
Chartered Accountants & Statutory Auditor  
5 Fairmile  
Henley-on-Thames  
Oxfordshire  
RG9 2JR

# **REFLEX 2005 LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2009**

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# **REFLEX 2005 LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2009**

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The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 December 2009

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the period was that of a holding company

Given the economic conditions in the first half of 2009, the directors are happy to report an increase in both turnover and profitability

The policy of investment in staff and a focus on those markets less disrupted by the economic conditions has proved successful and has provided a solid platform for the continued growth of the business

Although permanent staff numbers dropped during the year, the Group was able to engage sub contractors as required to fulfil its customer's needs, and in 2010 anticipates the engagement of more permanent staff to reinforce its already solid infrastructure

Control of working capital remains good with stock levels kept to the minimum and debtors under control

Going forward the Directors anticipate that economic conditions will continue to be tight in 2010 and are pursuing a policy of market diversification to avoid any potential dependency on any one market. The Directors are confident that this policy will enable the Group to continue growth in turnover while remaining profitable and cash positive

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £74,527. The directors have not recommended a dividend

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The board of directors is responsible for assessing and monitoring the major risks that face the business. Through regular, scheduled review meetings with responsible members of management, appropriate policies are put in place to manage key areas of uncertainty and ensure that the organisation's financial objectives are delivered

#### **THE DIRECTORS AND THEIR INTERESTS**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

		At 31 December 2009	At 1 January 2009
- - - - -	-Class of share		
A Brymer	Ordinary	74,922	74,922
R Dreesden	Ordinary	303,030	303,030
W Jepps	Ordinary	<u>303,030</u>	<u>303,030</u>

# REFLEX 2005 LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2009

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### 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 the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

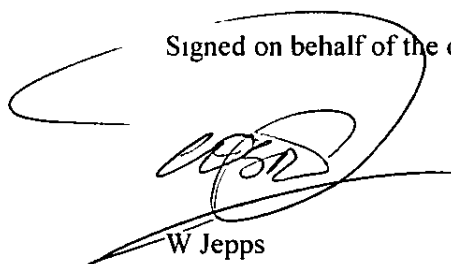
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office  
1 Bennet Court  
Bennet Road  
Reading  
Berkshire  
RG2 0QZ

Signed on behalf of the directors



W Jepps  
Company Secretary

Approved by the directors on 3/3/10

# **REFLEX 2005 LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REFLEX 2005 LIMITED**

**YEAR ENDED 31 DECEMBER 2009**



### **HMT Assurance**

5 Fairmile Henley-on-Thames  
Oxfordshire RG9 2JR

telephone 01491 579866

facsimile 01491 573397

email [hmt@hmtgroup.co.uk](mailto:hmt@hmtgroup.co.uk)

[www.hmtgroup.com](http://www.hmtgroup.com)

We have audited the group and parent company financial statements ("the financial statements") of Reflex 2005 Limited for the year ended 31 December 2009. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 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 Directors' Responsibilities Statement 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 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 (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2009 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS 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.

## REFLEX 2005 LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REFLEX 2005 LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2009

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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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



D I HURST (Senior Statutory  
Auditor)

For and on behalf of  
HMT ASSURANCE LLP  
Chartered Accountants  
& Statutory Auditor

5 Fairmile  
Henley-on-Thames  
Oxfordshire  
RG9 2JR

*3rd March 2010*

**REFLEX 2005 LIMITED****GROUP PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2009**

---

	Note	2009 £	2008 £
<b>GROUP TURNOVER</b>	2	9,658,550	8,626,804
Cost of sales		6,060,889	5,246,114
<b>GROSS PROFIT</b>		3,597,661	3,380,690
Distribution costs		267,814	281,600
Administrative expenses		3,066,749	2,955,834
<b>OPERATING PROFIT</b>	3	263,098	143,256
Interest receivable		–	3,068
Interest payable and similar charges	6	(100,344)	(117,758)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		162,754	28,566
Tax on profit on ordinary activities	7	88,227	53,284
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	8	74,527	(24,718)

---

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 10 to 19 form part of these financial statements

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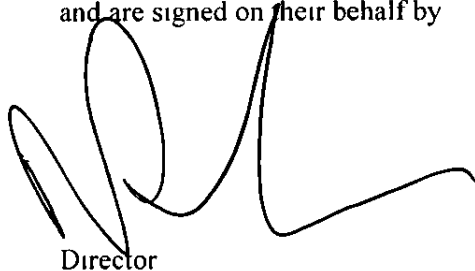
# REFLEX 2005 LIMITED

## GROUP BALANCE SHEET

31 DECEMBER 2009

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Intangible assets	9	2,559,552	2,725,506
Tangible assets	10	57,276	52,002
		<u>2,616,828</u>	<u>2,777,508</u>
<b>CURRENT ASSETS</b>			
Stocks	12	113,061	232,810
Debtors	13	1,299,900	1,594,252
Cash at bank and in hand		40,217	233,667
		<u>1,453,178</u>	<u>2,060,729</u>
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>1,858,532</u>	<u>2,561,290</u>
<b>NET CURRENT LIABILITIES</b>		<u>(405,354)</u>	<u>(500,561)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,211,474</u>	<u>2,276,947</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	16	<u>1,180,822</u>	<u>1,320,822</u>
		<u>1,030,652</u>	<u>956,125</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	745,398	745,398
Other reserves	20	3,816	3,816
Profit and loss account	20	281,438	206,911
<b>SHAREHOLDERS' FUNDS</b>	21	<u>1,030,652</u>	<u>956,125</u>

These financial statements were approved by the directors and authorised for issue on 31/3/10, and are signed on their behalf by



Director

The notes on pages 10 to 19 form part of these financial statements



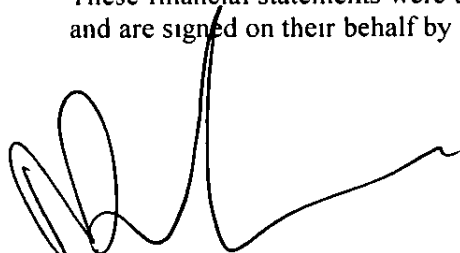
# REFLEX 2005 LIMITED

## BALANCE SHEET

31 DECEMBER 2009

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Investments	11	<u>3,075,909</u>	<u>3,075,909</u>
<b>CURRENT ASSETS</b>			
Debtors	13	409,008	319,902
Cash at bank		<u>1,951</u>	<u>4</u>
		410,959	319,906
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>1,556,832</u>	<u>1,325,779</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,145,873)</u>	<u>(1,005,873)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,930,036</u>	<u>2,070,036</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	16	<u>1,180,822</u>	<u>1,320,822</u>
		<u>749,214</u>	<u>749,214</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	745,398	745,398
Other reserves	20	<u>3,816</u>	<u>3,816</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>749,214</u>	<u>749,214</u>

These financial statements were approved by the directors and authorised for issue on 21/3/10, and are signed on their behalf by



Director

Company Registration Number 05467449

The notes on pages 10 to 19 form part of these financial statements.

**REFLEX 2005 LIMITED****GROUP CASH FLOW STATEMENT****YEAR ENDED 31 DECEMBER 2009**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>815,880</b>	<b>104,773</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	–	3,068
Interest paid	<b>(100,344)</b>	<b>(117,758)</b>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>(100,344)</b>	<b>(114,690)</b>
<b>TAXATION</b>	<b>(39,507)</b>	<b>(84,384)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	<b>(41,258)</b>	<b>(32,903)</b>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(41,258)</b>	<b>(32,903)</b>
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>	<b>634,771</b>	<b>(127,204)</b>
<b>FINANCING</b>		
Net (outflow)/inflow from other short-term creditors	<b>(688,221)</b>	468,278
Net outflow from other long-term creditors	<b>(140,000)</b>	<b>(140,000)</b>
<b>NET CASH (OUTFLOW)/INFLOW FROM FINANCING</b>	<b>(828,221)</b>	<b>328,278</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b>(193,450)</b>	<b>201,074</b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Operating profit	<b>263,098</b>	143,256
Amortisation	<b>165,954</b>	165,954
Depreciation	<b>35,984</b>	44,458
Loss on disposal of fixed assets	–	774
Decrease/(increase) in stocks	<b>119,749</b>	(76,234)
Decrease/(increase) in debtors	<b>289,584</b>	(664,376)
(Decrease)/increase in creditors	<b>(58,489)</b>	490,941
Net cash inflow from operating activities	<b>815,880</b>	<b>104,773</b>

The notes on pages 10 to 19 form part of these financial statements

# **REFLEX 2005 LIMITED**

## **GROUP CASH FLOW STATEMENT**

**YEAR ENDED 31 DECEMBER 2009**

### **RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash in the period	<b>(193,450)</b>	<b>201,074</b>
Net outflow from/(inflow) from other short-term creditors	<b>688,221</b>	<b>(468,278)</b>
Net cash outflow from other long-term creditors	<b>140,000</b>	<b>140,000</b>
	<b>634,771</b>	<b>(127,204)</b>
Change in net debt	<b>634,771</b>	<b>(127,204)</b>
Net debt at 1 January 2009	<b>(1,775,376)</b>	<b>(1,648,172)</b>
Net debt at 31 December 2009	<b>(1,140,605)</b>	<b>(1,775,376)</b>

### **ANALYSIS OF CHANGES IN NET DEBT**

	<b>At</b>	<b>Cash flows</b>	<b>At</b>
	<b>1 Jan 2009</b>		<b>31 Dec 2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash			
Cash in hand and at bank	<b>233,667</b>	<b>(193,450)</b>	<b>40,217</b>
Debt			
Debt due within 1 year	<b>(688,221)</b>	<b>688,221</b>	<b>–</b>
Debt due after 1 year	<b>(1,320,822)</b>	<b>140,000</b>	<b>(1,180,822)</b>
	<b>(2,009,043)</b>	<b>828,221</b>	<b>(1,180,822)</b>
Net debt	<b>(1,775,376)</b>	<b>634,771</b>	<b>(1,140,605)</b>

The notes on pages 10 to 19 form part of these financial statements.

# **REFLEX 2005 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2009**

---

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

#### **Turnover**

The turnover shown in the group profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 20 years

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	4 years
Plant & Machinery	-	3 to 7 years
Fixtures & Fittings	-	7 years
Equipment	-	2 to 4 years

#### **Stocks**

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

# **REFLEX 2005 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2009**

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### **1. ACCOUNTING POLICIES** *(continued)*

#### **Leasing and hire purchase commitments**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the group profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the group profit and loss account on a straight line basis over the lease term.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the group profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

---

### 1. ACCOUNTING POLICIES *(continued)*

#### 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 group after deducting all of its liabilities.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group. An analysis of turnover is given below.

	2009 £	2008 £
United Kingdom	9,658,550	8,300,823
Overseas	-	325,981
	<u>9,658,550</u>	<u>8,626,804</u>

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2009 £	2008 £
Amortisation of intangible assets	165,954	165,954
Depreciation of owned fixed assets	35,984	44,458
Loss on disposal of fixed assets	-	774
Auditor's remuneration		
- as auditor	8,000	9,000
- for other services	2,500	3,500
Operating lease costs		
- Plant and equipment	4,525	3,716
- Other	197,657	206,980
Net loss/(profit) on foreign currency translation	<u>2,777</u>	<u>(2,199)</u>

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2009	2008
	No	No
Number of administrative staff	21	23
Number of installation staff	14	15
Number of sales staff	6	9
	<u>41</u>	<u>47</u>

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	2,043,939	1,874,643
Social security costs	180,278	169,514
Other pension costs	50,461	37,662
	<u>2,274,678</u>	<u>2,081,819</u>

### 5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2009	2008
	£	£
Remuneration receivable	242,567	235,513
Value of company pension contributions to money purchase schemes	14,270	13,895
	<u>256,837</u>	<u>249,408</u>

#### Remuneration of highest paid director:

	2009	2008
	£	£
Total remuneration (excluding pension contributions)	82,494	79,598
Value of company pension contributions to money purchase schemes	6,458	6,458
	<u>88,952</u>	<u>86,056</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2009	2008
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	11,288	16,849
Other similar charges payable	89,056	100,909
	<u>100,344</u>	<u>117,758</u>

### 7. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2009	2008
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2008 - 28%)	83,459	39,507
Total current tax	<u>83,459</u>	<u>39,507</u>
Deferred tax		
Origination and reversal of timing differences (note 14)		
Capital allowances	10,264	8,214
Other	(5,496)	5,563
Total deferred tax (note 14)	<u>4,768</u>	<u>13,777</u>
Tax on profit on ordinary activities	<u>88,227</u>	<u>53,284</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 28%)

	2009	2008
	£	£
Profit on ordinary activities before taxation	<u>162,754</u>	<u>28,566</u>
Profit on ordinary activities by rate of tax	45,571	7,998
Expenses not deductible for tax purposes	50,100	50,389
Depreciation in excess of capital allowances	(10,263)	(5,709)
Other timing differences	5,495	(2,085)
Small companies relief	(7,444)	(11,086)
Total current tax (note 7(a))	<u>83,459</u>	<u>39,507</u>



**REFLEX 2005 LIMITED****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2009****8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The profit dealt with in the financial statements of the parent company was £Nil (2008 - £Nil)

**9. INTANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Goodwill £</b>
<b>COST</b>	
At 1 January 2009 and 31 December 2009	<u>3,319,072</u>
<b>AMORTISATION</b>	
At 1 January 2009	593,566
Charge for the year	165,954
At 31 December 2009	<u>759,520</u>
<b>NET BOOK VALUE</b>	
At 31 December 2009	<u>2,559,552</u>
At 31 December 2008	<u>2,725,506</u>

The goodwill has arisen on consolidation and is being written off over twenty years

**10. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Leasehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>COST</b>					
At 1 January 2009	30,786	50,294	11,899	49,659	142,638
Additions	—	1,210	—	40,048	41,258
Disposals	—	(53,787)	—	(23,084)	(76,871)
At 31 December 2009	<u>30,786</u>	<u>(2,283)</u>	<u>11,899</u>	<u>66,623</u>	<u>107,025</u>
<b>DEPRECIATION</b>					
At 1 January 2009	28,391	20,928	9,268	32,049	90,636
Charge for the year	969	14,393	872	19,750	35,984
On disposals	—	(53,787)	—	(23,084)	(76,871)
At 31 December 2009	<u>29,360</u>	<u>(18,466)</u>	<u>10,140</u>	<u>28,715</u>	<u>49,749</u>
<b>NET BOOK VALUE</b>					
At 31 December 2009	<u>1,426</u>	<u>16,183</u>	<u>1,759</u>	<u>37,908</u>	<u>57,276</u>
At 31 December 2008	<u>2,395</u>	<u>29,366</u>	<u>2,631</u>	<u>17,610</u>	<u>52,002</u>

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 11. INVESTMENTS

Company	Group companies £
<b>COST</b>	
At 1 January 2009 and 31 December 2009	<u>3,075,909</u>
<b>NET BOOK VALUE</b>	
At 31 December 2009 and 31 December 2008	<u>3,075,909</u>

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
<b>Subsidiary undertakings</b>				
Reflex Audio Visual Limited	England	Ordinary shares	100%	Non trading
Reflex Limited				Sale, installation, hire and maintenance of business presentation equipment
Reflex Care Limited	England	Ordinary shares	100%	
Classroom Displays Limited	England	Ordinary shares	100%	Dormant
Reflex Home Limited	England	Ordinary shares	100%	Dormant

### 12. STOCKS

	<b>Group</b>		<b>Company</b>	
	2009	2008	2009	2008
	£	£	£	£
Finished goods	<u>113,061</u>	<u>232,810</u>	<u>—</u>	<u>—</u>

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 13. DEBTORS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	1,048,574	1,416,642	-	-
Amounts owed by group undertakings	-	-	408,991	319,889
VAT recoverable	-	-	17	13
Other debtors	69,668	31,957	-	-
Deferred taxation (Note 14)	57,945	62,713	-	-
Prepayments and accrued income	123,713	82,940	-	-
	<u>1,299,900</u>	<u>1,594,252</u>	<u>409,008</u>	<u>319,902</u>

Included in other debtors is £51,861 which is secured on the trade debtors of the company (2008 credit balance of £668,221 included in other creditors)

### 14. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Asset brought forward	62,713	76,490	-	-
Decrease in asset	(4,768)	(13,777)	-	-
Asset carried forward	<u>57,945</u>	<u>62,713</u>	<u>-</u>	<u>-</u>

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of

Group	2009		2008	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of depreciation over taxation allowances	19,107	-	29,371	-
Other timing differences	38,838	-	33,342	-
	<u>57,945</u>	<u>-</u>	<u>62,713</u>	<u>-</u>

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 15. CREDITORS: Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	341,492	542,043	–	–
Amounts owed to group undertakings	–	–	1,556,832	1,325,779
Corporation tax	83,459	39,507	–	–
PAYE and social security	78,807	69,389	–	–
VAT	220,656	165,506	–	–
Other creditors	99,506	802,496	–	–
Accruals and deferred income	1,034,612	942,349	–	–
	<u>1,858,532</u>	<u>2,561,290</u>	<u>1,556,832</u>	<u>1,325,779</u>

The Bank has a debenture for all sums over the whole assets of the group, dated 22 April 2003  
There is also a cross corporate guarantee in place between Reflex Limited and associated group companies, dated 22 April 2003

### 16. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Other creditors	<u>1,180,822</u>	<u>1,320,822</u>	<u>1,180,822</u>	<u>1,320,822</u>

### 17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2009 the group had annual commitments under non-cancellable operating leases as set out below

Group	2009		2008	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	–	22,230	–	–
Within 2 to 5 years	<u>95,000</u>	<u>12,091</u>	<u>95,000</u>	<u>75,852</u>
	<u>95,000</u>	<u>34,321</u>	<u>95,000</u>	<u>75,852</u>

### 18. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

# REFLEX 2005 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

### 19. SHARE CAPITAL

#### Authorised share capital:

	2009 £	2008 £
1,380,000 Ordinary shares of £1 each	1,380,000	1,380,000
120,000 A Ordinary shares of £1 each	120,000	120,000
	<u>1,500,000</u>	<u>1,500,000</u>

#### Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
680,982 Ordinary shares of £1 each	680,982	680,982	680,982	680,982
64,416 A Ordinary shares of £1 each	64,416	64,416	64,416	64,416
	<u>745,398</u>	<u>745,398</u>	<u>745,398</u>	<u>745,398</u>

The only difference in the rights of the shares is that the "A" Non-voting Ordinary shares have no voting rights. The shares rank pari passu in all aspects in relation to dividends and capital.

### 20. RESERVES

#### Group

	Capital redemption reserve £	Profit and loss account £
Balance brought forward	3,816	206,911
Profit for the year	—	74,527
Balance carried forward	<u>3,816</u>	<u>281,438</u>

#### Company

	Capital redemption reserve £	Profit and loss account £	Total share-holders' funds £
Balance brought forward	3,816	—	3,816
Balance carried forward	<u>3,816</u>	<u>—</u>	<u>3,816</u>

### 21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit/(Loss) for the financial year	74,527	(24,718)
Opening shareholders' funds	956,125	980,843
Closing shareholders' funds	<u>1,030,652</u>	<u>956,125</u>