

Registered number: 09061153

Reflex Affiliates Limited

Unaudited

Directors' report and financial statements

For the year ended 31 December 2016

Reflex Affiliates Limited

Company Information

Directors	S L Danigo B Vyle (appointed 1 April 2017)
Company secretary	IAA Secretaries Limited
Registered number	09061153
Registered office	71-75 Shelton Street Covent Garden London WC2H 9JQ
Accountants	Kreston Reeves LLP Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU

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Directors' report

For the year ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Results and dividends

The loss for the year, after taxation, amounted to £509,460 (2015 - profit £444,162).

Director

The director who served during the year was:

S L Danigo

This report was approved by the board and signed on its behalf.

S L Danigo

Director

Date: 13 June 2017

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Reflex Affiliates Limited for the year ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Reflex Affiliates Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes from the company accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Reflex Affiliates Limited, as a body, in accordance with the terms of our engagement letter dated 30 June 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Reflex Affiliates Limited and state those matters that we have agreed to state to the board of directors of Reflex Affiliates Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Reflex Affiliates Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Reflex Affiliates Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Reflex Affiliates Limited. You consider that Reflex Affiliates Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Reflex Affiliates Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP
Chartered Accountants
Canterbury
14 June 2017

Statement of comprehensive income
For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover		13,558,508	7,006,782
Cost of sales		(12,998,801)	(6,227,504)
Gross profit		559,707	779,278
Administrative expenses		(1,005,343)	(224,385)
Operating (loss)/profit		(445,636)	554,893
Interest receivable and similar income		305	90
Interest payable and expenses		(62,580)	-
(Loss)/profit before tax		(507,911)	554,983
Tax on (loss)/profit	4	(1,549)	(110,821)
(Loss)/profit for the year		(509,460)	444,162

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 6 to 11 form part of these financial statements.

Balance sheet
As at 31 December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	5		27,806		10,089
Current assets					
Debtors: amounts falling due after more than one year	6	182,946		-	
Debtors: amounts falling due within one year	6	2,467,248		1,406,199	
Cash at bank and in hand		118,945		429,453	
		2,769,139		1,835,652	
Creditors: amounts falling due within one year	7	(2,587,779)		(1,182,771)	
Net current assets			181,360		652,881
Total assets less current liabilities			209,166		662,970
Creditors: amounts falling due after more than one year	8		(102,763)		(29,886)
Net assets			106,403		633,084
Capital and reserves					
Called up share capital	9		980		1,000
Capital redemption reserve	10		20		-
Profit and loss account	10		105,403		632,084
			106,403		633,084

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 June 2017.

S L Danigo

Director

The notes on pages 6 to 11 form part of these financial statements.

Statement of changes in equity
For the year ended 31 December 2016

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	1,000	-	187,922	188,922
Comprehensive income for the year				
Profit for the year	-	-	444,162	444,162
Total comprehensive income for the year	-	-	444,162	444,162
At 1 January 2016	1,000	-	632,084	633,084
Comprehensive income for the year				
Loss for the year	-	-	(509,460)	(509,460)
Total comprehensive income for the year	-	-	(509,460)	(509,460)
Purchase of own shares	-	20	(17,221)	(17,201)
Shares cancelled during the year	(20)	-	-	(20)
Total transactions with owners	(20)	20	(17,221)	(17,221)
At 31 December 2016	980	20	105,403	106,403

Notes to the financial statements
For the year ended 31 December 2016

1. General information

Reflex Affiliates Limited is a private company limited by shares and is incorporated in England with the registration number. The address of the registered office is 71-75 Shelton Street, Covent Garden, London, England, WC2H 9JQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The financial statements are rounded to the nearest pound.

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern in preparing the annual financial statements.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the financial statements
For the year ended 31 December 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the reducing balance and straight line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%	reducing balance
Office equipment	-	33%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements
For the year ended 31 December 2016

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pounds sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2.8 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2.9 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2015 - 8).

Notes to the financial statements
For the year ended 31 December 2016

4. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	-	110,821
Adjustments in respect of previous periods	<u>1,549</u>	<u>-</u>
	<u>1,549</u>	110,821
Total current tax	<u><u>1,549</u></u>	<u><u>110,821</u></u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20% (2015 - 20%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Tangible fixed assets

	Other fixed assets £
Cost	
At 1 January 2016	12,231
Additions	<u>26,950</u>
At 31 December 2016	<u>39,181</u>
Depreciation	
At 1 January 2016	2,142
Charge for the year on owned assets	<u>9,233</u>
At 31 December 2016	<u>11,375</u>
Net book value	
At 31 December 2016	<u><u>27,806</u></u>
At 31 December 2015	<u><u>10,089</u></u>

Notes to the financial statements
For the year ended 31 December 2016

6. Debtors

	2016 £	2015 £
Due after more than one year		
Amounts owed by group undertakings	<u>182,946</u>	<u>-</u>
Due within one year		
Trade debtors	1,646,479	1,364,333
Amounts owed by group undertakings	577,063	-
Other debtors	226,276	11,828
Called up share capital not paid	-	1,000
Prepayments and accrued income	17,430	29,038
	<u>2,467,248</u>	<u>1,406,199</u>

7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	6,376	56
Trade creditors	505,637	1,031,053
Amounts owed to group undertakings	1,083,445	-
Corporation tax	112,429	138,421
Other taxation and social security	15,455	7,800
Other creditors	8,139	-
Accruals and deferred income	856,298	5,441
	<u>2,587,779</u>	<u>1,182,771</u>

8. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Amounts owed to group undertakings	<u>102,763</u>	<u>29,886</u>

Secured loans

There is a fixed and floating charge held over all assets of the company by HSBC Bank PLC and HSBC Invoice Finance (UK) Ltd.

Notes to the financial statements
For the year ended 31 December 2016

9. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
980 (2015 - 1,000) Ordinary shares of £1 each	<u>980</u>	<u>1,000</u>

During the year, the company has repurchased 20 ordinary £1 shares with a nominal value of £20. The aggregate consideration paid for these shares was £17,221.

10. Reserves

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Profit and loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

11. Related party transactions

All related party transactions during the current and prior periods, including key management personnel compensation, were made under normal market conditions.

12. Controlling party

The company is an associate of Dstream Holdings Limited, Madness Holding Limited and Rage Network Holdings Limited. All of these companies are registered in England and Wales.

The director does not consider there to be an ultimate controlling party of the company.