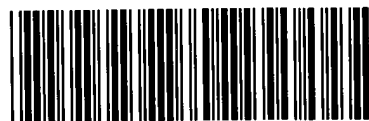

Directors' report and financial statements

Reflex 2016 Limited

For the year ended: 31 December 2020

Company registration number: 10245274

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MACINTYRE HUDSON

REFLEX 2016 LIMITED

COMPANY INFORMATION

Directors

W Jepps
A Brymer
M Atkinson

Registered number

10245274

Registered office

1 Bennet Court
Bennet Road
Reading
Berkshire
RG2 0QZ

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
Pennant House
1-2 Napier Court
Reading
RG1 8BW

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REFLEX 2016 LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Business review

In common with all other companies in the market, the Coronavirus pandemic had a significant impact on the Company's activities during the year. However by taking advantage of the Government support available and with the support of customers and suppliers, the Company has been able to produce a very satisfactory outcome for the year.

The consequences of the UK's exit from the European Union has not had a major impact on the business though some minor disruption in supply chains has been experienced.

Principal risks and uncertainties

The principle risk facing the Company continues to be the dependency on one market and the seasonal pressures that this brings. The Company will continue to pursue its diversification plans once the impact of the Coronavirus pandemic recedes.

Financial key performance indicators

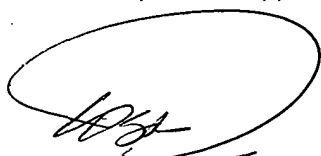
The Company continues to monitor margins which will be a continued focus of the Company.

Stock and debtor turnover continue to be in line with the Company's high expectations.

Other key performance indicators

The Company monitors customer satisfaction which continues to be at a high level.

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



W Jepps
Director

Date: 30-03-2021

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group'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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £137,699 (2019 - £132,228).

Directors

The directors who served during the year were:

W Jepps
A Brymer
M Atkinson

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

REFLEX 2016 LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Auditors

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

A large, stylized handwritten signature in black ink, appearing to read 'W Jepps', is written over the printed name and title.

W Jepps
Director

Date: 30-03-2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFLEX 2016 LIMITED

Opinion

We have audited the financial statements of Reflex 2016 Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFLEX 2016 LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFLEX 2016 LIMITED (CONTINUED)

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in finance and compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance, and;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFLEX 2016 LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

Jason Mitchell MBA BSc FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Pennant House
1-2 Napier Court
Reading
RG1 8BW

Date:

1 April 2021

REFLEX 2016 LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	12,679,907	14,352,590
Cost of sales		(10,376,082)	(11,441,095)
Gross profit		2,303,825	2,911,495
Administrative expenses		(2,444,742)	(2,642,190)
Other operating income	5	402,516	-
Operating profit	6	261,599	269,305
Interest payable and expenses	10	(12,986)	(27,857)
Profit before taxation		248,613	241,448
Tax on profit	11	(110,914)	(109,220)
Profit for the financial year		137,699	132,228
		<hr/>	<hr/>
Total comprehensive income for the year		137,699	132,228
		<hr/>	<hr/>
Owners of the parent Company		137,699	132,228
		<hr/>	<hr/>

The notes on pages 17 to 35 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	1,759,038	2,080,064
Tangible assets	13	76,019	109,788
		<u>1,835,057</u>	<u>2,189,852</u>
Current assets			
Stocks	15	944,208	872,714
Debtors: amounts falling due within one year	16	1,279,469	1,654,653
Cash at bank and in hand	17	1,379,878	254,515
		<u>3,603,555</u>	<u>2,781,882</u>
Creditors: amounts falling due within one year	18	(3,036,083)	(2,902,160)
Net current assets/(liabilities)		<u>567,472</u>	<u>(120,278)</u>
Total assets less current liabilities		<u>2,402,529</u>	<u>2,069,574</u>
Creditors: amounts falling due after more than one year	19	(383,333)	(186,412)
Provisions for liabilities			
Deferred taxation	22	(11,108)	(12,773)
		<u>(11,108)</u>	<u>(12,773)</u>
Net assets		<u>2,008,088</u>	<u>1,870,389</u>
Capital and reserves			
Called up share capital	23	427,262	427,262
Share premium account		1,386,322	1,386,322
Profit and loss account		194,504	56,805
Equity attributable to owners of the parent Company		<u>2,008,088</u>	<u>1,870,389</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


W. Jepps
Director

Date: 30-03-2021

The notes on pages 17 to 35 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	14	3,124,361	3,124,361
		<u>3,124,361</u>	<u>3,124,361</u>
Current assets			
Cash at bank and in hand	17	168	75
		<u>168</u>	<u>75</u>
Creditors: amounts falling due within one year	18	(1,310,945)	(1,124,440)
Net current liabilities		<u>(1,310,777)</u>	<u>(1,124,365)</u>
Total assets less current liabilities		<u>1,813,584</u>	<u>1,999,996</u>
Creditors: amounts falling due after more than one year	19	-	(186,412)
Net assets excluding pension asset		<u>1,813,584</u>	<u>1,813,584</u>
Net assets		<u><u>1,813,584</u></u>	<u><u>1,813,584</u></u>
Capital and reserves			
Called up share capital	23	427,262	427,262
Share premium account		1,386,322	1,386,322
		<u>1,813,584</u>	<u>1,813,584</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


W Jepps
Director

Date: 30.03.2021

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	427,262	1,386,322	56,805	1,870,389
Comprehensive income for the year				
Profit for the year	-	-	137,699	137,699
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	137,699	137,699
Total transactions with owners	-	-	-	-
At 31 December 2020	427,262	1,386,322	194,504	2,008,088

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	427,262	1,386,322	(75,423)	1,738,161
Comprehensive income for the year				
Profit for the year	-	-	132,228	132,228
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	132,228	132,228
Total transactions with owners	-	-	-	-
At 31 December 2019	427,262	1,386,322	56,805	1,870,389

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Total equity
	£	£	£
At 1 January 2020	427,262	1,386,322	1,813,584
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 31 December 2020	427,262	1,386,322	1,813,584

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Total equity
	£	£	£
At 1 January 2019	427,262	1,386,322	1,813,584
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 31 December 2019	427,262	1,386,322	1,813,584

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	137,699	132,228
Adjustments for:		
Amortisation of intangible assets	321,026	321,026
Depreciation of tangible assets	52,585	57,346
Loss on disposal of tangible assets	2,080	781
Government grants	(402,516)	-
Interest paid	12,986	27,857
Taxation charge	110,914	109,220
(Increase) in stocks	(71,494)	(209,703)
Decrease in debtors	375,184	295,496
(Decrease) in creditors	(155,068)	(720,048)
Corporation tax (paid)	(110,000)	(26,907)
Net cash generated from operating activities	273,396	(12,704)
Cash flows from investing activities		
Purchase of tangible fixed assets	(21,758)	(58,609)
Sale of tangible fixed assets	862	-
Government grants received	402,516	-
Net cash from investing activities	381,620	(58,609)
Cash flows from financing activities		
New secured loans	483,333	-
Interest paid	(12,986)	(27,857)
Net cash used in financing activities	470,347	(27,857)
Net increase/(decrease) in cash and cash equivalents	1,125,363	(99,170)
Cash and cash equivalents at beginning of year	254,515	353,685
Cash and cash equivalents at the end of year	1,379,878	254,515
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,379,878	254,515
	1,379,878	254,515

The notes on pages 17 to 35 form part of these financial statements.

REFLEX 2016 LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	254,515	1,125,363	1,379,878
Debt due after 1 year	-	(383,333)	(383,333)
Debt due within 1 year	-	(100,000)	(100,000)
	<u>254,515</u>	<u>642,030</u>	<u>896,545</u>

The notes on pages 17 to 35 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Reflex 2016 Limited ('the Company') is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is disclosed on the Company information page.

The principal activity of the company during the year was that of a holding company.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

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 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 Group 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.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.5 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.

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

The estimated useful lives range as follows:

Long-term leasehold property	- 4 years
Plant and machinery	- 2 to 4 years
Fixtures and fittings	- 7 years
Office equipment	- 3 to 7 years

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 profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.10 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.11 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.

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 profit or loss 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 Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors are of the opinion that there are no critical accounting judgements or key sources of estimation uncertainty when applying the company's accounting policies.

REFLEX 2016 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
United Kingdom	12,679,907	14,352,590
	<u>12,679,907</u>	<u>14,352,590</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2020 £	2019 £
Government grants receivable	402,516	-
	<u>402,516</u>	<u>-</u>

6. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	52,585	57,346
Amortisation of intangible assets, including goodwill	321,026	321,026
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	13,200	13,400
Exchange differences	683	2,739
Other operating lease rentals	130,696	143,388
Defined contribution pension cost	99,772	105,193

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
7. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	8,550	8,200
Fees payable to the Group's auditor and its associates in respect of:		
Audit-related assurance services	2,000	2,000
Taxation compliance services	2,750	2,750
	4,750	4,750

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	2,460,105	2,523,229	-	-
Social security costs	265,895	302,829	-	-
Cost of defined contribution scheme	99,772	105,193	-	-
	2,825,772	2,931,251	-	-

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Administrative staff	26	28
Installation staff	23	24
Sales staff	5	4
	54	56

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	232,310	218,700
Company contributions to defined contribution pension schemes	10,516	10,328
	<u>242,826</u>	<u>229,028</u>

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £131,560 (2019 - £131,578).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,578 (2019 - £6,578).

10. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	2,082	10,406
Other loan interest payable	10,904	17,451
	<u>12,986</u>	<u>27,857</u>

11. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	112,589	110,010
Adjustments in respect of previous periods	(10)	(383)
	<u>112,579</u>	<u>109,627</u>
Total current tax	<u>112,579</u>	<u>109,627</u>
Deferred tax		
Origination and reversal of timing differences	(1,665)	(407)
Total deferred tax	<u>(1,665)</u>	<u>(407)</u>
Taxation on profit on ordinary activities	<u>110,914</u>	<u>109,220</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	248,613	241,448
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	47,236	45,875
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	62,175	63,680
Change in tax rate	1,503	(383)
Deferred tax liability recognised at lower rate	-	48
Total tax charge for the year	110,914	109,220

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Intangible assets

Group and Company

	Customer relationships £	Goodwill £	Total £
Cost			
At 1 January 2020	424,000	2,786,261	3,210,261
At 31 December 2020	424,000	2,786,261	3,210,261
Amortisation			
At 1 January 2020	148,400	981,797	1,130,197
Charge for the year on owned assets	42,400	278,626	321,026
At 31 December 2020	190,800	1,260,423	1,451,223
Net book value			
At 31 December 2020	233,200	1,525,838	1,759,038
At 31 December 2019	275,600	1,804,464	2,080,064

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Tangible fixed assets**Group**

	Leasehold improve- ments £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2020	248,983	93,397	77,123	253,598	673,101
Additions	-	6,939	2,824	11,995	21,758
Disposals	-	(1,488)	(7,960)	(60,425)	(69,873)
At 31 December 2020	<u>248,983</u>	<u>98,848</u>	<u>71,987</u>	<u>205,168</u>	<u>624,986</u>
Depreciation					
At 1 January 2020	225,273	77,371	71,037	189,632	563,313
Charge for the year on owned assets	15,409	11,198	1,943	24,035	52,585
Disposals	-	(1,003)	(7,960)	(57,968)	(66,931)
At 31 December 2020	<u>240,682</u>	<u>87,566</u>	<u>65,020</u>	<u>155,699</u>	<u>548,967</u>
Net book value					
At 31 December 2020	<u>8,301</u>	<u>11,282</u>	<u>6,967</u>	<u>49,469</u>	<u>76,019</u>
At 31 December 2019	<u>23,710</u>	<u>16,026</u>	<u>6,086</u>	<u>63,966</u>	<u>109,788</u>

REFLEX 2016 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	3,124,361
At 31 December 2020	3,124,361

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Reflex 2005 Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%
Reflex Audio Visual Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%
Reflex Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%
Classroom Displays Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%
Reflex Care Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%
Reflex Home Limited	Bennet Court, Bennet Rd, Reading	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Reflex 2005 Limited	749,214	11,118
Reflex Audio Visual Limited	135,155	11,118
Reflex Limited	5,665,324	469,843
Classroom Displays Limited	1	1
Reflex Care Limited	2	2
Reflex Home Limited	(90,769)	(90,769)

REFLEX 2016 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Stocks

	Group 2020 £	Group 2019 £
Finished goods and goods for resale	944,208	872,714
	944,208	872,714

16. Debtors

	Group 2020 £	Group 2019 £
Trade debtors	927,494	1,342,120
Other debtors	69,122	38,481
Prepayments and accrued income	282,853	274,052
	1,279,469	1,654,653

17. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	1,379,878	254,515	170	77
	1,379,878	254,515	170	77

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	100,000	-	-	-
Trade creditors	1,095,949	1,444,294	-	-
Amounts owed to group undertakings	-	-	1,124,533	924,440
Corporation tax	112,589	110,010	-	-
Other taxation and social security	814,737	455,778	-	-
Other creditors	344,865	283,708	186,412	200,000
Accruals and deferred income	567,943	608,370	-	-
	3,036,083	2,902,160	1,310,945	1,124,440

Included within other creditors is £Nil (2019 - £5,705) due to an invoice discounting company.

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	383,333	-	-	-
Other creditors	-	186,412	-	186,412
	383,333	186,412	-	186,412

20. Loans

	Group 2020 £	Group 2019 £
Amounts falling due within one year		
Bank loans	100,000	-
Amounts falling due 1-2 years		
Bank loans	383,333	-
	483,333	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets measured at face value through profit or loss	1,379,878	254,515	170	77
Financial assets that are debt instruments measured at amortised cost	996,616	1,380,601	-	-
	2,376,494	1,635,116	170	77
Financial liabilities				
Financial liabilities measured at amortised cost	(2,492,090)	(2,454,852)	(1,310,945)	(1,310,852)

Financial assets measured at face value through profit or loss comprise cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and loans.

REFLEX 2016 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

22. Deferred taxation**Group**

	2020 £
At beginning of year	(12,773)
Charged to profit or loss	1,665
At end of year	(11,108)
	Group 2020
	£
Accelerated capital allowances	(11,108)
	11,108
	Group 2019
	£
	(12,773)
	12,773

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

23. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
377,951 (2019 - 377,951) Ordinary shares of £1.000 each	377,951	377,951
49,266 (2019 - 49,266) A shares of £1.000 each	49,266	49,266
45,450 (2019 - 45,450) B shares of £0.001 each	45	45
	427,262	427,262

24. Commitments under operating leases

At 31 December 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	Group
	2020	2019
	£	£
Not later than 1 year	196,213	241,593
Later than 1 year and not later than 5 years	58,877	171,228
	255,090	412,821

25. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS 102, Section 33 Related Party Disclosures.

26. Key Management Personnel

The total remuneration for key management personnel for the year totalled £333,848 (2019 - £444,001).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

27. COVID-19

On 11 March 2020, the World Health Organisation declared the Coronavirus outbreak (COVID-19) a pandemic. Following on from this, the Company has taken steps to comply with the lockdown measures introduced by the UK Government to help stop the spread of COVID-19, and to protect its employees and customers.

Whilst it is not possible to quantify precisely the impact of the pandemic, as disruption to the global economy on this scale has not been seen in recent history, the Directors have taken a number of mitigating actions to ensure that the Company can continue in operation for the foreseeable future. These mitigating actions include reductions in discretionary spend and a reduction in staff costs, assisted by the UK Government's coronavirus Job Retention Scheme. In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the Company, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

28. Controlling party

The company was under the control of the directors throughout the current period by virtue of their majority shareholding.