

Company Registration No. SC138019 (Scotland)

**FLEXIBLE TECHNOLOGY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# **FLEXIBLE TECHNOLOGY LIMITED**

## **CONTENTS**

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	<b>Page</b>
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

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# FLEXIBLE TECHNOLOGY LIMITED

## BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	3		344,595		341,269
<b>Current assets</b>					
Stocks	4	173,145		175,604	
Debtors	5	169,972		202,096	
Cash at bank and in hand		173,681		86,469	
		<u>516,798</u>		<u>464,169</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(177,387)</u>		<u>(173,491)</u>	
<b>Net current assets</b>			339,411		290,678
<b>Total assets less current liabilities</b>			<u>684,006</u>		<u>631,947</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(159,966)		(146,820)
<b>Net assets</b>			<u>524,040</u>		<u>485,127</u>
<b>Capital and reserves</b>					
Called up share capital	8	821,000		821,000	
Capital redemption reserve		60,000		60,000	
Profit and loss reserves		<u>(356,960)</u>		<u>(395,873)</u>	
<b>Total equity</b>			<u>524,040</u>		<u>485,127</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

# **FLEXIBLE TECHNOLOGY LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 JULY 2019***

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The financial statements were approved and signed by the director and authorised for issue on 25 May 2020

Prof P K Timms CBE

**Director**

**Company Registration No. SC138019**

# **FLEXIBLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2019**

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### **1 Accounting policies**

#### **Company information**

Flexible Technology Limited is a private company limited by shares incorporated in Scotland. The registered office is Townhead, Rothesay, Isle of Bute, PA20 9JH.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2%
Plant and machinery	12.5% to 20%
Fixtures, fittings & equipment	12.5% to 20%

# **FLEXIBLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2019**

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### **1 Accounting policies**

**(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.5 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.6 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# **FLEXIBLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2019**

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### **1 Accounting policies**

**(Continued)**

#### **1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# **FLEXIBLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2019**

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### **1 Accounting policies**

**(Continued)**

#### **1.11 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.12 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### **2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 35 (2018 - 36).

# FLEXIBLE TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 August 2018	561,846	1,054,229	1,616,075
Additions	-	22,520	22,520
At 31 July 2019	561,846	1,076,749	1,638,595
<b>Depreciation and impairment</b>			
At 1 August 2018	232,887	1,041,919	1,274,806
Depreciation charged in the year	10,236	8,958	19,194
At 31 July 2019	243,123	1,050,877	1,294,000
<b>Carrying amount</b>			
At 31 July 2019	318,723	25,872	344,595
At 31 July 2018	328,959	12,310	341,269

### 4 Stocks

	2019 £	2018 £
Stocks	173,145	175,604

### 5 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	162,366	187,431
Other debtors	7,606	14,665
	169,972	202,096

### 6 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	87,713	103,803
Taxation and social security	50,106	45,435
Other creditors	39,568	24,253
	177,387	173,491

# **FLEXIBLE TECHNOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2019**

### **7 Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other creditors	159,966	146,820
	<u>159,966</u>	<u>146,820</u>

### **8 Called up share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
236,000 Ordinary A shares of £1 each	236,000	236,000
235,000 Ordinary B shares of £1 each	235,000	235,000
	<u>471,000</u>	<u>471,000</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
350,000 5% (net) Cumulative redeemable preference shares ("CRP Shares") of £1 each	350,000	350,000
	<u>350,000</u>	<u>350,000</u>

On 30 October 2013, the 115,000 6.33% Cumulative Redeemable Preference Shares of £1.00 each together with the 120,000 AIEC Preference Shares of £1 each were converted into 235,000 Ordinary 'B' £1.00 of £1 each. This new class of share is fully paid and they have no dividend or redemption rights. The beneficial owner of this new class of shares is Mr P K Timms, who acquired the previous classes of shares prior to their conversion. Prior to conversion the previous owner of shares, HIE, waived their rights to any and dividends and /or redemption premium outstanding or due on these shares.

### **9 Directors' transactions**

Dividends totalling £0 (2018 - £0) were paid in the year in respect of shares held by the company's directors.

The director has granted interest free loans to the company and the amount of £147,507 (2018: £138,894) is included in other creditors in note 7.

### **10 Controlling party**

By virtue of his beneficial interest of 426,000 ordinary shares in the company, Professor P K Timms CBE is the controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.