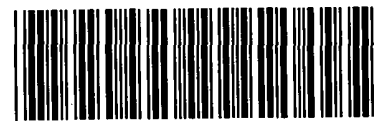


Company Registration No. 02778201 (England and Wales)

BRITELITE SUPREME LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016

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BRITELITE SUPREME LIMITED

COMPANY INFORMATION

Directors	Mr J D Baxter Mr D Baxter Mr P G Boyce Mrs N Baxter Mr S Bourn
Secretary	Mr P G Boyce
Company number	02778201
Registered office	171-173 Gray's Inn Road London WC1X 8UE
Auditor	Goldblatts 171-173 Gray's Inn Road London WC1X 8UE
Business address	Britelite House Bircholt Road Parkwood Trading Estate Maidstone Kent ME15 9XY

BRITELITE SUPREME LIMITED

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BRITELITE SUPREME LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JANUARY 2016

The directors present the strategic report for the year ended 31 January 2016.

Fair review of the business

The UK economy continues to be challenging. Turnover for the group to 31 January 2016 was lower at £15,855,248 (2015 - £16,933,661), though gross margins were maintained. As a result profit before tax was £686,078 (2015 - £1,027,643). As at 31 January 2016 cash balances were £2,258,677 (2015 - £2,208,299) and shareholder's funds amounted to £1,809,179 (2015 - £1,664,551).

Principal risks and uncertainties

There are a number of potential risks and uncertainties which could impact the group's performance and these are considered by the board on a regular basis. The Board of Directors consider the risks of all significant business decisions and changes in the external environment and in the group's operations. The key risks affecting the business are as follows:

Operating Risk (Customer service and reputation)

The group's reputation and continued success depends on its ability to provide services which are valued by its customers. The group regularly reviews the quality of its services both internally and through formalised client feedback and evaluation. Responses from customers show a very high level of service quality being achieved.

Economic and Market Risk

The economic environment can affect the performance of the group in relation to sales and costs. Consumer confidence is a key influence on sales and world oil prices ultimately impact on prime costs. The company looks to maintain its marketing activities in order to sustain demand for its products. The group looks to mitigate cost pressures by maintaining good relationships with its suppliers and actively undertaking cost and efficiency reviews on a regular basis.

Personnel Risk

The group's performance is significantly affected by its ability to recruit and retain a high quality workforce and network of contractors. The directors continue to invest in its workforce training and development. The group also actively looks to incentivise its workforce by offering competitive remuneration and benefits packages and further career opportunities.

Financial and Liquidity risk

The group is principally funded from retained profits. Given the nature of the group's products and terms of business the group's operational cash flow is relatively predictable. A continual process of financial monitoring, forecasting and budgeting is undertaken to maintain and control the group's financial position.

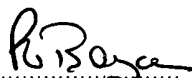
Development and performance

While consumer confidence is still recovering the group is having to work harder to generate enquiries for its products and services. The group continues to invest in its marketing, products and brand to help generate new customers, products and markets.

Key performance indicators

Given the straight forward nature of the business, the group's directors are of the opinion that analysis using Key Performance Indicators (KPI's) is not necessary for an understanding of the development, performance or position of the business.

On behalf of the board



Mr P G Boyce

Director

19-7-2016

BRITELITE SUPREME LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2016

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

Principal activities

The principal activity of the company continued to be that of a property rental and holding company. The principal activity of the group's subsidiary companies continued to be that of the supply and installation of windows, doors and conservatories.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J D Baxter
Mr D Baxter
Mr P G Boyce
Mrs N Baxter
Mr S Bourn

Results and dividends

The results for the year are set out on page 6.

An interim ordinary dividend was paid amounting to £400,000. The directors do not recommend payment of a final dividend.

Financial instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensure the company has sufficient liquid resources to meet the operating needs of the businesses.

Credit risk

Investment of cash surpluses are made through banks and companies which must fulfil credit criteria approved by the board.

All customers who wish to trade on credit terms are subject verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Future developments

The UK economy for home improvements continues to be difficult but the group is confident that it will be able to maintain its current level of sales though there will be some pressure on margins.

Auditor

The auditor, Goldblatts, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

BRITELITE SUPREME LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company 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 company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

On behalf of the board


.....
Mr P G Boyce
Director
19-7-2016
.....

BRITELITE SUPREME LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRITELITE SUPREME LIMITED

We have audited the financial statements of Britelite Supreme Limited for the year ended 31 January 2016 set out on pages 6 to 30. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 members 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 pages 2 - 3, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2016 and of its 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BRITELITE SUPREME LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BRITELITE SUPREME LIMITED

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.

Seamus Ferguson FCA (Senior Statutory Auditor)
for and on behalf of Goldblatts

20/07/16

Chartered Accountants
Statutory Auditor

171-173 Gray's Inn Road
London
WC1X 8UE

BRITELITE SUPREME LIMITED

GROUP STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	2015 £
Turnover	3	15,855,248	16,933,661
Cost of sales		(10,391,679)	(10,783,256)
Gross profit		5,463,569	6,150,405
Administrative expenses		(4,828,046)	(5,157,806)
Other operating income		51,172	41,550
Operating profit	4	686,695	1,034,149
Interest receivable and similar income	8	20,521	17,447
Interest payable and similar charges	9	(21,138)	(23,953)
Profit before taxation		686,078	1,027,643
Taxation	10	(141,450)	(131,831)
Profit for the financial year		544,628	895,812
Other comprehensive income		-	-
Total comprehensive income for the year		544,628	895,812

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BRITELITE SUPREME LIMITED

GROUP BALANCE SHEET

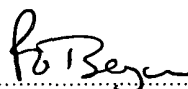
AS AT 31 JANUARY 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12		2,538,723		2,490,794
Current assets					
Stocks	15	827,992		795,655	
Debtors	16	694,662		890,172	
Investments	17	5,620		4,475	
Cash at bank and in hand		2,258,677		2,028,299	
		3,786,951		3,718,601	
Creditors: amounts falling due within one year	18	(3,839,068)		(3,913,005)	
Net current liabilities			(52,117)		(194,404)
Total assets less current liabilities			2,486,606		2,296,390
Creditors: amounts falling due after more than one year	19		(496,841)		(482,643)
Provisions for liabilities	22		(180,586)		(149,196)
Net assets			1,809,179		1,664,551
Capital and reserves					
Called up share capital	24		200		200
Revaluation reserve			126,974		126,974
Profit and loss reserves			1,682,005		1,537,377
Total equity			1,809,179		1,664,551

The financial statements were approved by the board of directors and authorised for issue on 19-7-2016 and are signed on its behalf by:



Mr D Baxter
Director



Mr P G Boyce
Director

BRITELITE SUPREME LIMITED

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12	1,290,100		1,303,400	
Investments	13	200		175	
		<u>1,290,300</u>		<u>1,303,575</u>	
Current assets					
Debtors	16	4,729		235	
Cash at bank and in hand		19,120		11,113	
		<u>23,849</u>		<u>11,348</u>	
Creditors: amounts falling due within one year	18	<u>(359,282)</u>		<u>(291,682)</u>	
Net current liabilities			<u>(335,433)</u>		<u>(280,334)</u>
Total assets less current liabilities			<u>954,867</u>		<u>1,023,241</u>
Creditors: amounts falling due after more than one year	19		<u>(213,226)</u>		<u>(324,505)</u>
Provisions for liabilities	22		<u>(15,629)</u>		<u>(18,161)</u>
Net assets			<u><u>726,012</u></u>		<u><u>680,575</u></u>
Capital and reserves					
Called up share capital	24	200		200	
Revaluation reserve		32,504		32,504	
Profit and loss reserves		693,308		647,871	
Total equity			<u><u>726,012</u></u>		<u><u>680,575</u></u>

The financial statements were approved by the board of directors and authorised for issue on 19-7-2016 and are signed on its behalf by:



Mr D Baxter
Director



Mr P G Boyce
Director

Company Registration No. 02778201

BRITELITE SUPREME LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 February 2014		200	126,974	1,141,565	1,268,739
Year ended 31 January 2015:					
Profit and total comprehensive income for the year		-	-	895,812	895,812
Dividends	11	-	-	(500,000)	(500,000)
Balance at 31 January 2015		200	126,974	1,537,377	1,664,551
Year ended 31 January 2016:					
Profit and total comprehensive income for the year		-	-	544,628	544,628
Dividends	11	-	-	(400,000)	(400,000)
Balance at 31 January 2016		200	126,974	1,682,005	1,809,179

BRITELITE SUPREME LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 February 2014		200	32,504	474,362	507,066
Year ended 31 January 2015:					
Profit and total comprehensive income for the year		-	-	673,509	673,509
Dividends	11	-	-	(500,000)	(500,000)
Balance at 31 January 2015		200	32,504	647,871	680,575
Year ended 31 January 2016:					
Profit and total comprehensive income for the year		-	-	445,437	445,437
Dividends	11	-	-	(400,000)	(400,000)
Balance at 31 January 2016		200	32,504	693,308	726,012

BRITELITE SUPREME LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	29	1,058,759		1,348,657	
Interest paid		(21,138)		(23,953)	
Income taxes paid		(131,458)		(154,329)	
Net cash inflow from operating activities		906,163		1,170,375	
Investing activities					
Purchase of tangible fixed assets		(14,884)		(251,839)	
Proceeds on disposal of tangible fixed assets		34,113		20,145	
Proceeds on disposal of fixed asset investments		(1,145)		(997)	
Interest received		20,521		17,447	
Net cash generated from/(used in) investing activities		38,605		(215,244)	
Financing activities					
Repayment of bank loans		(111,279)		(109,166)	
Payment of finance leases obligations		(203,111)		(71,846)	
Dividends paid to equity shareholders		(400,000)		(500,000)	
Net cash used in financing activities		(714,390)		(681,012)	
Net increase in cash and cash equivalents		230,378		274,119	
Cash and cash equivalents at beginning of year		2,028,299		1,754,180	
Cash and cash equivalents at end of year		2,258,677		2,028,299	

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

Company information

Britelite Supreme Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is 171-173 Gray's Inn Road, London, WC1X 8UE.

The group consists of Britelite Supreme Limited and all of its subsidiaries.

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.

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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 January 2016 are the first financial statements of Britelite Supreme Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 February 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 30.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £445,437 (2015 - £673,509 profit).

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 JANUARY 2016**

1 Accounting policies

(Continued)

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Britelite Supreme Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 January 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 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.

1.5 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.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

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	No depreciation is provided as it is the company's policy to maintain the buildings to such a standard that their useful economic life is maintained in excess of 50 years.
Land and buildings Leasehold	Short leasehold -10% per annum on cost.
Plant and machinery	15% per annum on written down value.
Fixtures, fittings & equipment	15% per annum on written down value, office equipment - 25% per annum on cost.
Motor vehicles	25% per annum on written down value.

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 recognised in the profit and loss account.

1.6 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

1.7 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 cost, adjusted where applicable for any loss of service potential.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

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.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial instruments

The group 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 group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies 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 receipts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

1.13 Retirement benefits

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

1.14 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016 £	2015 £
Turnover		
Home improvements	15,728,540	16,672,699
Commissions	18,055	33,372
Rental of vans	108,653	113,854
Other income	-	113,736
	<u>15,855,248</u>	<u>16,933,661</u>

Other significant revenue

Interest income	<u>20,521</u>	<u>17,447</u>
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Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	<u>15,855,248</u>	<u>16,933,661</u>

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	165,996	161,580
Depreciation of tangible fixed assets held under finance leases	88,903	118,975
Loss on disposal of tangible fixed assets	23,774	2,726
Cost of stocks recognised as an expense	6,114,355	6,545,680
Operating lease charges	<u>246,939</u>	<u>382,978</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	7,800	1,500
Audit of the company's subsidiaries	23,000	15,000
	<u>30,800</u>	<u>16,500</u>

6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

2016 Number	2015 Number
52	52
32	42
13	10
<u>97</u>	<u>104</u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	2,244,165	2,293,987
Social security costs	184,976	190,426
Pension costs	27,594	34,649
	<u>2,456,735</u>	<u>2,519,062</u>

7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	210,897	193,147
Company pension contributions to defined contribution schemes	9,575	12,425
	<u>220,472</u>	<u>205,572</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>108,000</u>	<u>90,000</u>
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BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	20,521	17,447
	<u>20,521</u>	<u>17,447</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	20,521	17,447
	<u>20,521</u>	<u>17,447</u>

9 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	7,283	9,496
Interest on finance leases and hire purchase contracts	12,850	14,457
	<u>20,133</u>	<u>23,953</u>
Other finance costs:		
Other interest	1,005	-
	<u>21,138</u>	<u>23,953</u>
Total finance costs	<u>21,138</u>	<u>23,953</u>

10 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	110,060	192,241
Adjustments in respect of prior periods	-	(60,783)
	<u>110,060</u>	<u>131,458</u>
Deferred tax		
Origination and reversal of timing differences	31,390	373
	<u>31,390</u>	<u>373</u>
Total tax charge	<u>141,450</u>	<u>131,831</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

10 Taxation

(Continued)

The charge for the year can be reconciled to the loss per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	686,078	1,027,643
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)	137,216	215,805
Tax effect of expenses that are not deductible in determining taxable profit	504	2,550
Adjustments in respect of prior years	-	(60,783)
Permanent capital allowances in excess of depreciation	(2,609)	(13,571)
Depreciation on assets not qualifying for tax allowances	1,584	-
Research and development tax credit	-	(14,928)
Other permanent differences	4,755	2,758
Tax expense for the year	141,450	131,831

11 Dividends

	2016 £	2015 £
Interim paid	400,000	500,000

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

12 Tangible fixed assets

Group	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 February 2015	125,000	1,488,419	113,840	679,452	1,355,361	3,762,072
Additions	-	-	-	64,121	296,594	360,715
Disposals	-	-	-	-	(195,304)	(195,304)
At 31 January 2016	125,000	1,488,419	113,840	743,573	1,456,651	3,927,483
Depreciation and impairment						
At 1 February 2015	-	95,218	59,216	474,731	642,113	1,271,278
Depreciation charged in the year	-	21,221	8,196	41,570	183,912	254,899
Eliminated in respect of disposals	-	-	-	-	(137,417)	(137,417)
At 31 January 2016	-	116,439	67,412	516,301	688,608	1,388,760
Carrying amount						
At 31 January 2016	125,000	1,371,980	46,428	227,272	768,043	2,538,723
At 31 January 2015	125,000	1,393,201	54,624	204,721	713,248	2,490,794

Company

Land and buildings Leasehold

	£
Cost or valuation	
At 1 February 2015 and 31 January 2016	1,330,000
Depreciation and impairment	
At 1 February 2015	26,600
Depreciation charged in the year	13,300
At 31 January 2016	39,900
Carrying amount	
At 31 January 2016	1,290,100
At 31 January 2015	1,303,400

Motor vehicles	499,862	500,490	-	-
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The freehold and leasehold land and buildings were valued on an open market basis by Page and Wells and Cole and Company, both firms of independent estate agents and valuers.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

12 Tangible fixed assets

(Continued)

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Cost	1,410,764	1,410,764	1,380,234	1,380,234
Accumulated depreciation	-	-	-	-
Carrying value	<u>1,410,764</u>	<u>1,410,764</u>	<u>1,380,234</u>	<u>1,380,234</u>

13 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	27	-	-	200	175

14 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	463,088	708,997	4,729	235
Equity instruments measured at cost less impairment	<u>5,620</u>	<u>4,475</u>	<u>200</u>	<u>175</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>3,842,806</u>	<u>3,922,677</u>	<u>535,089</u>	<u>550,517</u>

15 Stocks

	Group 2016 £	2015 £	Company 2016 £	2015 £
Work in progress	668,765	616,646	-	-
Finished goods and goods for resale	<u>159,227</u>	<u>179,009</u>	<u>-</u>	<u>-</u>
	<u>827,992</u>	<u>795,655</u>	<u>-</u>	<u>-</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

16 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	444,099	677,313	-	-
Amounts due from subsidiary undertakings	-	1	4,729	235
Other debtors	18,989	31,683	-	-
Prepayments and accrued income	231,574	181,175	-	-
	<u>694,662</u>	<u>890,172</u>	<u>4,729</u>	<u>235</u>

17 Current asset investments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Listed investments	<u>5,620</u>	<u>4,475</u>	<u>-</u>	<u>-</u>
Listed investments included above:				
Listed investments carrying amount	<u>5,620</u>	<u>4,475</u>	<u>-</u>	<u>-</u>

18 Creditors: amounts falling due within one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank loans and overdrafts	20	105,030	105,030	105,030	105,030
Obligations under finance leases	21	182,473	165,230	-	-
Trade creditors		1,392,660	1,378,042	-	-
Amounts due to group undertakings		-	-	209,693	97,158
Corporation tax payable		109,980	131,378	30,669	59,220
Other taxation and social security		383,123	341,618	6,750	6,450
Other creditors		997,658	1,118,372	-	-
Accruals and deferred income		668,144	673,335	7,140	23,824
		<u>3,839,068</u>	<u>3,913,005</u>	<u>359,282</u>	<u>291,682</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

19 Creditors: amounts falling due after more than one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank loans and overdrafts	20	213,226	324,505	213,226	324,505
Obligations under finance leases	21	283,615	158,138	-	-
		<u>496,841</u>	<u>482,643</u>	<u>213,226</u>	<u>324,505</u>

20 Loans and overdrafts

	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank loans	318,256	429,535	318,256	429,535
Bank overdrafts	-	25	-	-
	<u>318,256</u>	<u>429,560</u>	<u>318,256</u>	<u>429,535</u>
Payable within one year	105,030	105,055	105,030	105,030
Payable after one year	213,226	324,505	213,226	324,505

There is a legal charge from NatWest dated 1st November 2007 over the property and adjoining car parking by way of fixed charge.

There is also a debenture from NatWest dated 15th June 2006 for fixed and floating charges over the undertaking of all property and assets present and future.

The loan is repayable in monthly instalments at an interest rate of 1.45% above the banks base rate and is repayable by 15 June 2021.

21 Finance lease obligations

	Group 2016 £	2015 £	Company 2016 £	2015 £
Future minimum lease payments due under finance leases:				
Within one year	182,473	165,230	-	-
In two to five years	283,615	158,138	-	-
	<u>466,088</u>	<u>323,368</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
Group		
Accelerated capital allowances	155,192	123,802
Revaluations	25,394	25,394
	<u>180,586</u>	<u>149,196</u>
	Liabilities 2016 £	Liabilities 2015 £
Company		
Accelerated capital allowances	9,129	11,661
Revaluations	6,500	6,500
	<u>15,629</u>	<u>18,161</u>
	Group 2016 £	Company 2016 £
Movements in the year:		
Liability at 1 February 2015	149,196	18,161
Credit to profit and loss	31,390	(2,532)
	<u>180,586</u>	<u>15,629</u>

£31,308 of the deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	<u>27,594</u>	<u>34,649</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

24 Share capital

	Group and company	
	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
200 Ordinary Shares of £1 each	200	200

25 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company in respect of contract hire vehicles.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Within one year	28,335	18,070	-	-
Between two and five years	30,372	14,213	-	-
	<u>58,707</u>	<u>32,283</u>	<u>-</u>	<u>-</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016	2015
	£	£
Aggregate compensation	403,813	378,877

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2016	2015	2016	2015
	£	£	£	£
Group				
Other related parties	-	118,897	98,578	136,923

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

26 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016 £	2015 £
Group		
Key management personnel	273,351	361,381
Other related parties	19,268	60,450
	<u>292,619</u>	<u>421,831</u>
Company		
Entities over which the company has control, joint control or significant influence	<u>209,693</u>	<u>97,158</u>

No guarantees have been given or received.

27 Subsidiaries

Details of the company's subsidiaries at 31 January 2016 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held	
				Direct	Indirect
Britelite Windows Limited	England & Wales	Double glazing and conservatories	Ordinary	100.00	
Britelite Commercial Limited	England & Wales	Double glazing	Ordinary	100.00	

28 Directors' transactions

Dividends totalling £360000 (2015 - £450000) were paid in the year in respect of shares held by the company's directors.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

29 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	544,628	895,812
Adjustments for:		
Taxation charged	141,450	131,831
Finance costs	21,138	23,953
Investment income	(20,521)	(17,447)
Loss on disposal of tangible fixed assets	23,774	2,726
Depreciation and impairment of tangible fixed assets	254,899	280,555
Movements in working capital:		
(Increase) in stocks	(32,337)	(39,100)
Decrease in debtors	195,510	152,580
(Decrease) in creditors	(69,782)	(82,253)
Cash generated from operations	1,058,759	1,348,657

30 Reconciliations on adoption of FRS 102

Reconciliation of equity - group

	Notes	1 February 2014 £	31 January 2015 £
Equity as reported under previous UK GAAP		1,294,133	1,689,945
Adjustments arising from transition to FRS 102:			
Deferred tax	1	(25,394)	(25,394)
Equity reported under FRS 102		1,268,739	1,664,551

Reconciliation of profit or loss - group

		2015 £
Profit or loss as reported under previous UK GAAP and under FRS 102		895,812
Deferred tax	1	-

Notes to reconciliations on adoption of FRS 102 - group

Deferred tax

In accordance with FRS102 deferred tax has been provided on the revaluation reserve.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2016

30 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity - company

	Notes	1 February 2014 £	31 January 2015 £
Equity as reported under previous UK GAAP		513,566	687,075
Adjustments arising from transition to FRS 102:			
Deferred tax	1	(6,500)	(6,500)
Equity reported under FRS 102		<u>507,066</u>	<u>680,575</u>

Reconciliation of profit or loss - company

			2015 £
Profit or loss as reported under previous UK GAAP and under FRS 102			673,509
Deferred tax	1		-

Notes to reconciliations on adoption of FRS 102 - company

Note 1 - Deferred tax on revaluation reserve

In accordance with FRS102 deferred tax is now being provided against the revaluation reserve.