

Company Registration No. 02778201 (England and Wales)

BRITELITE SUPREME LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

BRITELITE SUPREME LIMITED

COMPANY INFORMATION

Directors	Mr J D Baxter Mr D Baxter Mr P G Boyce Mrs N Baxter Mr S J 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 2017

The directors present the strategic report for the year ended 31 January 2017.

Fair review of the business

Trading conditions continued to be difficult. Turnover for the group to 31 January 2017 was lower at £14,920,104 (2016 - £15,855,248), though gross margins improved. As a result profit before tax was £806,268 (2016 - £686,078). As at 31 January 2017 cash balances were £2,119,984 (2016 - £2,258,677) and shareholder's funds amounted to £2,073,806 (2016 - £1,809,179).

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 and forecasting 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

2 August 2017

BRITELITE SUPREME LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2017

The directors present their annual report and financial statements for the year ended 31 January 2017.

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 J Bourn

Results and dividends

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

Ordinary dividends were paid amounting to £415,000. The directors do not recommend payment of a further 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 2017

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

2 August 2017

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 2017 set out on pages 6 to 26. 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 2017 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, based on the work undertaken in the course of our audit, 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, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

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 Strategic Report and the Directors' Report.

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

2 August 2017

Chartered Accountants
Statutory Auditor

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

BRITELITE SUPREME LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	2017 £	2016 £
Turnover	3	14,920,104	15,855,248
Cost of sales		(9,413,229)	(10,391,679)
Gross profit		5,506,875	5,463,569
Administrative expenses		(4,757,751)	(4,828,046)
Other operating income		52,505	51,172
Operating profit	4	801,629	686,695
Interest receivable and similar income	7	18,678	20,521
Interest payable and similar expenses	8	(14,039)	(21,138)
Profit before taxation		806,268	686,078
Taxation	9	(214,591)	(141,450)
Profit for the financial year		591,677	544,628
Other comprehensive income			
Revaluation of tangible fixed assets		339,900	-
Total comprehensive income for the year		931,577	544,628
Profit for the financial year is attributable to:			
- Owners of the parent company		562,722	544,628
- Non-controlling interests		28,955	-
		591,677	544,628
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		902,622	544,628
- Non-controlling interests		28,955	-
		931,577	544,628

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 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11	2,734,996		2,538,723	
Current assets					
Stocks	15	908,598		827,992	
Debtors	16	784,954		694,662	
Investments	17	4,881		5,620	
Cash at bank and in hand		2,119,984		2,258,677	
		<u>3,818,417</u>		<u>3,786,951</u>	
Creditors: amounts falling due within one year	18	<u>(3,899,659)</u>		<u>(3,839,068)</u>	
Net current liabilities			(81,242)		(52,117)
Total assets less current liabilities			2,653,754		2,486,606
Creditors: amounts falling due after more than one year	19		(353,873)		(496,841)
Provisions for liabilities	22		(226,075)		(180,586)
Net assets			<u>2,073,806</u>		<u>1,809,179</u>
Capital and reserves					
Called up share capital	24		190		200
Revaluation reserve			466,874		126,974
Capital redemption reserve			10		-
Profit and loss reserves			<u>1,597,727</u>		<u>1,682,005</u>
Equity attributable to owners of the parent company			2,064,801		1,809,179
Non-controlling interests			<u>9,005</u>		<u>-</u>
			<u>2,073,806</u>		<u>1,809,179</u>

The financial statements were approved by the board of directors and authorised for issue on 2 August 2017 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 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11	1,600,000		1,290,100	
Investments	12	250		200	
		<u>1,600,250</u>		<u>1,290,300</u>	
Current assets					
Debtors	16	67,453		4,729	
Cash at bank and in hand		35,034		19,120	
		<u>102,487</u>		<u>23,849</u>	
Creditors: amounts falling due within one year	18	<u>(719,711)</u>		<u>(359,282)</u>	
Net current liabilities			(617,224)		(335,433)
Total assets less current liabilities			<u>983,026</u>		<u>954,867</u>
Creditors: amounts falling due after more than one year	19		(99,625)		(213,226)
Provisions for liabilities	22		<u>(68,321)</u>		<u>(15,629)</u>
Net assets			<u><u>815,080</u></u>		<u><u>726,012</u></u>
Capital and reserves					
Called up share capital	24	190		200	
Revaluation reserve		342,404		32,504	
Capital redemption reserve		10		-	
Profit and loss reserves		<u>472,476</u>		<u>693,308</u>	
Total equity			<u><u>815,080</u></u>		<u><u>726,012</u></u>

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 £426,168 (2016 - £445,437 profit).

The financial statements were approved by the board of directors and authorised for issue on 2 August 2017 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 2017

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total non-controlling interest	Controlling interest	Total
Notes	£	£	£	£	£	£	£
Balance at 1 February 2015	200	126,974	-	1,537,377	1,664,551	-	1,664,551
Year ended 31 January 2016:							
Profit and total comprehensive income for the year	-	-	-	544,628	544,628	-	544,628
Dividends	-	-	-	(400,000)	(400,000)	-	(400,000)
Balance at 31 January 2016	200	126,974	-	1,682,005	1,809,179	-	1,809,179
Year ended 31 January 2017:							
Profit for the year	-	-	-	562,722	562,722	28,955	591,677
Other comprehensive income:							
Revaluation of tangible fixed assets	-	339,900	-	-	339,900	-	339,900
Total comprehensive income for the year	-	339,900	-	562,722	902,622	28,955	931,577
Dividends	-	-	-	(395,000)	(395,000)	(20,000)	(415,000)
Redemption of shares	24	(10)	10	(252,000)	(252,000)	-	(252,000)
Disposal of non-controlling interests	-	-	-	-	-	50	50
Balance at 31 January 2017	190	486,874	10	1,597,727	2,064,801	9,005	2,073,806

BRITELITE SUPREME LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 February 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	10	-	-	-	(400,000)	(400,000)
Balance at 31 January 2016		200	32,504	-	693,308	726,012
Year ended 31 January 2017:						
Profit for the year		-	-	-	426,168	426,168
Other comprehensive income:						
Revaluation of tangible fixed assets		-	309,900	-	-	309,900
Total comprehensive income for the year		-	309,900	-	426,168	736,068
Dividends	10	-	-	-	(395,000)	(395,000)
Redemption of shares	24	(10)	-	10	(252,000)	(252,000)
Balance at 31 January 2017		190	342,404	10	472,476	815,080

BRITELITE SUPREME LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	29	972,350		1,058,759	
Interest paid		(14,039)		(21,138)	
Income taxes paid		(110,060)		(131,458)	
Net cash inflow from operating activities		848,251		906,163	
Investing activities					
Purchase of tangible fixed assets		(185,572)		(14,884)	
Proceeds on disposal of tangible fixed assets		29,147		34,113	
Disposal of shares in subsidiary to non-controlling interest		50		-	
Proceeds on disposal of fixed asset investments		739		(1,145)	
Interest received		18,678		20,521	
Net cash (used in)/generated from investing activities		(136,958)		38,605	
Financing activities					
Redemption of shares		(252,000)		-	
Repayment of bank loans		(113,601)		(111,279)	
Payment of finance leases obligations		(69,385)		(203,111)	
Dividends paid to equity shareholders		(395,000)		(400,000)	
Dividends paid to non-controlling interests		(20,000)		-	
Net cash used in financing activities		(849,986)		(714,390)	
Net (decrease)/increase in cash and cash equivalents		(138,693)		230,378	
Cash and cash equivalents at beginning of year		2,258,677		2,028,299	
Cash and cash equivalents at end of year		2,119,984		2,258,677	

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

Company information

Britelite Supreme Limited ('the company') is a private 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 under 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.

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 £426,168 (2016 - £445,437 profit).

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.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

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 2017. 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.

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.

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 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.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

1.7 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 balance sheet when the group becomes party to the contractual provisions of the instrument.

1.8 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.

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.

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.

1.10 Retirement benefits

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

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.

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 2017

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:

	2017 £	2016 £
Turnover		
Home improvements	14,812,458	15,728,540
Commissions	11,274	18,055
Rental of vans	96,372	108,653
	<u>14,920,104</u>	<u>15,855,248</u>
Other significant revenue		
Interest income	<u>18,678</u>	<u>20,521</u>

4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	149,922	165,996
Depreciation of tangible fixed assets held under finance leases	141,212	88,903
Loss on disposal of tangible fixed assets	8,918	23,774
Cost of stocks recognised as an expense	5,510,900	6,114,355
Operating lease charges	<u>232,293</u>	<u>246,939</u>

5 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	6,103	7,800
Audit of the financial statements of the company's subsidiaries	<u>14,662</u>	<u>23,000</u>
	<u>20,765</u>	<u>30,800</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

6 Employees

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

Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
48	52	-	-
36	32	-	-
10	13	-	-
<u>94</u>	<u>97</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	2,125,371	2,244,165	-	-
Social security costs	187,932	184,976	-	-
Pension costs	38,425	27,594	-	-
	<u>2,351,728</u>	<u>2,456,735</u>	<u>-</u>	<u>-</u>

7 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest on bank deposits	<u>18,678</u>	<u>20,521</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>18,678</u>	<u>20,521</u>
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BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

8 Interest payable and similar expenses

	2017 £	2016 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	4,811	7,283
Interest on finance leases and hire purchase contracts	9,228	12,850
	<u>14,039</u>	<u>20,133</u>
Other finance costs:		
Other interest	-	1,005
	<u>14,039</u>	<u>21,138</u>

9 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	179,213	110,060
Adjustments in respect of prior periods	(10,111)	-
	<u>169,102</u>	<u>110,060</u>
Deferred tax		
Origination and reversal of timing differences	45,489	31,390
	<u>214,591</u>	<u>141,450</u>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	<u>806,268</u>	<u>686,078</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	161,254	137,216
Tax effect of expenses that are not deductible in determining taxable profit	359	504
Adjustments in respect of prior years	(10,111)	-
Permanent capital allowances in excess of depreciation	(279)	(2,609)
Depreciation on assets not qualifying for tax allowances	1,584	1,584
Other permanent differences	1,784	4,755
Deferred tax on revaluation	60,000	-
	<u>214,591</u>	<u>141,450</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

10 Dividends

	2017 £	2016 £
Ordinary paid	395,000	400,000

11 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 2016	125,000	1,488,419	113,840	743,573	1,456,651	3,927,483
Additions	-	-	619	59,549	125,404	185,572
Disposals	-	-	-	(134,192)	(162,701)	(296,893)
Revaluation	30,000	270,000	-	-	-	300,000
At 31 January 2017	155,000	1,758,419	114,459	668,930	1,419,354	4,116,162
Depreciation and impairment						
At 1 February 2016	-	116,439	67,412	516,301	688,608	1,388,760
Depreciation charged in the year	-	7,921	7,027	48,533	227,653	291,134
Eliminated in respect of disposals	-	-	-	(134,192)	(124,636)	(258,828)
Revaluation	-	(39,900)	-	-	-	(39,900)
At 31 January 2017	-	84,460	74,439	430,642	791,625	1,381,166
Carrying amount						
At 31 January 2017	155,000	1,673,959	40,020	238,288	627,729	2,734,996
At 31 January 2016	125,000	1,371,980	46,428	227,272	768,043	2,538,723

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

11 Tangible fixed assets

(Continued)

Company	Land and buildings Leasehold
	£
Cost or valuation	
At 1 February 2016	1,330,000
Revaluation	270,000
	<hr/>
At 31 January 2017	1,600,000
	<hr/>
Depreciation and impairment	
At 1 February 2016	39,900
Revaluation	(39,900)
	<hr/>
At 31 January 2017	-
	<hr/>
Carrying amount	
At 31 January 2017	1,600,000
	<hr/>
At 31 January 2016	1,290,100
	<hr/>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2017 £	2016 £	Company 2017 £	2016 £
Motor vehicles	423,639	499,862	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation charge for the year in respect of leased assets	141,212	88,903	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The freehold and leasehold land and buildings were revalued at 31 January 2017 based on an open market basis valuation dated 24th July 2017 by Coles Group, a firm of independent estate agents and valuers. In the directors opinion the value of the property has not changed materially between the year end and the date the external valuation was carried out.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

11 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 2017 £	2016 £	Company 2017 £	2016 £
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>

12 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	13	-	-	250	200

Movements in fixed asset investments Company

Shares in group undertakings

	£
Cost or valuation	
At 1 February 2016	200
Additions	50
At 31 January 2017	<u>250</u>
Carrying amount	
At 31 January 2017	<u>250</u>
At 31 January 2016	<u>200</u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

13 Subsidiaries

Details of the company's subsidiaries at 31 January 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Britelite Windows Limited	See Below	Home Improvements	Ordinary	100.00	
Britelite Commercial Limited	See Below	Commercial Windows	Ordinary	75.00	

The registered office of the subsidiaries above is 171-173 Gray's Inn Road, London, WC1X 8UE.

14 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	446,100	463,088	67,453	4,729
Equity instruments measured at cost less impairment	4,881	5,620	-	-
	<u>446,100</u>	<u>463,088</u>	<u>67,453</u>	<u>4,729</u>
Carrying amount of financial liabilities				
Measured at amortised cost	3,717,851	3,842,806	782,272	535,089
	<u>3,717,851</u>	<u>3,842,806</u>	<u>782,272</u>	<u>535,089</u>

15 Stocks

	Group 2017 £	2016 £	Company 2017 £	2016 £
Work in progress	773,827	668,765	-	-
Finished goods and goods for resale	134,771	159,227	-	-
	<u>908,598</u>	<u>827,992</u>	<u>-</u>	<u>-</u>

16 Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
Amounts falling due within one year:				
Trade debtors	429,310	444,099	-	-
Amounts due from group undertakings	-	-	67,453	4,729
Other debtors	16,790	18,989	-	-
Prepayments and accrued income	338,854	231,574	-	-
	<u>784,954</u>	<u>694,662</u>	<u>67,453</u>	<u>4,729</u>

The amounts owed by the subsidiaries are interest free, with no security and no fixed repayment terms.

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

17 Current asset investments

	Group 2017 £	2016 £	Company 2017 £	2016 £
Listed investments	4,881	5,620	-	-
Listed investments included above:				
Listed investments carrying amount	4,881	5,620	-	-

18 Creditors: amounts falling due within one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	20	105,030	105,030	105,030	105,030
Obligations under finance leases	21	142,455	182,473	-	-
Trade creditors		1,300,482	1,392,660	-	-
Amounts due to group undertakings		-	-	565,824	209,693
Corporation tax payable		169,022	109,980	29,195	30,669
Other taxation and social security		366,659	383,123	7,869	6,750
Other creditors		1,227,714	997,658	-	-
Accruals and deferred income		588,297	668,144	11,793	7,140
		3,899,659	3,839,068	719,711	359,282

The amounts due to the subsidiaries are interest free, with no security and no fixed repayment terms.

19 Creditors: amounts falling due after more than one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	20	99,625	213,226	99,625	213,226
Obligations under finance leases	21	254,248	283,615	-	-
		353,873	496,841	99,625	213,226

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

20 Loans and overdrafts

	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans	204,655	318,256	204,655	318,256
Payable within one year	105,030	105,030	105,030	105,030
Payable after one year	99,625	213,226	99,625	213,226

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 2017 £	2016 £	Company 2017 £	2016 £
Future minimum lease payments due under finance leases:				
Within one year	142,455	182,473	-	-
In two to five years	254,248	283,615	-	-
	396,703	466,088	-	-

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 2017

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 2017 £	Liabilities 2016 £
Group		
ACAs	140,681	155,192
Revaluations	85,394	25,394
	<u>226,075</u>	<u>180,586</u>
	<u><u>226,075</u></u>	<u><u>180,586</u></u>
	Liabilities 2017 £	Liabilities 2016 £
Company		
ACAs	7,821	9,129
Revaluations	60,500	6,500
	<u>68,321</u>	<u>15,629</u>
	<u><u>68,321</u></u>	<u><u>15,629</u></u>
	Group 2017 £	Company 2017 £
Movements in the year:		
Liability at 1 February 2016	180,586	15,629
Charge to profit or loss	45,489	52,692
	<u>226,075</u>	<u>68,321</u>
Liability at 31 January 2017	<u><u>226,075</u></u>	<u><u>68,321</u></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

	2017 £	2016 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	38,425	27,594
	<u>38,425</u>	<u>27,594</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 2017

24 Share capital

	Group and company	
	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
190 Ordinary Shares of £1 each	190	200
	<u> </u>	<u> </u>

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	
	2017	2016	2017	2016
	£	£	£	£
Within one year	26,673	28,335	-	-
Between two and five years	28,572	30,372	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	55,245	58,707	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	360,400	403,813
	<u> </u>	<u> </u>

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2017	2016	2017	2016
	£	£	£	£
Group				
Other related parties	-	-	98,424	98,578
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Company				
Entities over which the company has control, joint control or significant influence	7,303	4,529	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BRITELITE SUPREME LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

26 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2017 £	2016 £
Group		
Key management personnel	456,868	273,351
Other related parties	21,137	19,268
	<u> </u>	<u> </u>
Company		
Entities over which the company has control, joint control or significant influence	565,824	209,693
	<u> </u>	<u> </u>

27 Directors' transactions

Dividends totalling £374,211 (2016 - £360,000) were paid in the year in respect of shares held by the company's directors.

28 Controlling party

The ultimate controlling party is Mr J D Baxter, by way of his majority shareholding.

29 Cash generated from group operations

	2017 £	2016 £
Profit for the year after tax	591,677	544,628
Adjustments for:		
Taxation charged	214,591	141,450
Finance costs	14,039	21,138
Investment income	(18,678)	(20,521)
Loss on disposal of tangible fixed assets	8,918	23,774
Depreciation and impairment of tangible fixed assets	291,134	254,899
Movements in working capital:		
(Increase) in stocks	(80,606)	(32,337)
(Increase)/decrease in debtors	(90,292)	195,510
Increase/(decrease) in creditors	41,567	(69,782)
	<u> </u>	<u> </u>
Cash generated from operations	<u>972,350</u>	<u>1,058,759</u>

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.