

Registered number: 04180002

# **Xtralite (Rooflights) Limited**

**Annual report**

**31 December 2019**

TUESDAY



\*A9DNMYBD\*

A17

15/09/2020

#352

COMPANIES HOUSE

# Xtralite (Rooflights) Limited

## Company information

---

**Directors** R S P Dahmer (resigned 23 August 2019)  
H D Lauridsen (appointed 1 January 2020)  
H Ovlisen (appointed 23 August 2019)

**Registered number** 04180002

**Registered office** Unit 7-9  
Spencer Road  
Blyth  
Northumberland  
NE24 5TG

**Independent auditor** UNW LLP  
Chartered Accountants  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

**Bankers** Natwest Bank Plc  
1 St. Philips Place  
Birmingham  
West Midlands  
B3 2PP

**Solicitors** Hay & Kilner LLP  
Cloth Market  
Newcastle upon Tyne  
NE1 1EE

# **Xtralite (Rooflights) Limited**

## **Contents**

---

	Page
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report to the members of Xtralite (Rooflights) Limited	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Analysis of net debt	12
Notes to the financial statements	13 - 23

# **Xtralite (Rooflights) Limited**

## **Strategic report Year ended 31 December 2019**

---

### **Principal activities**

Xtralite (Rooflights) Limited ('Xtralite') is a manufacturer of rooflights, kerbs and large area glazing products.

### **Business review, future developments and post balance sheet events**

We cover all of the UK as well as a minimal amount of sales to Europe and the Middle East.

Turnover in 2019 has decreased by £1.7 million to £9 million, 15.6%. This was due mainly to the majority of its customers operate in the public sector and rely on public funding. However due to Brexit uncertainty and general budget cuts, demand has been lower.

Gross margin has decreased by 6% to 36.9% in the year, although the company's overall materials and sub-contractor costs have decreased, direct wages and salaries have increased and the decrease in gross margin is due mainly to the Coxdomes materials, direct wages and salaries now being paid for by Xtralite Limited as opposed to Jet Cox Limited in the previous year.

Pre-tax profit has increased due to the sale of intellectual property trademarks and patents to VKR Holdings A/S totalling £2.5 million.

Following our year end 2019, the new financial year 2020 started off very promising and within the first quarter we were ahead of our budget and the previous year's figures. Unfortunately due to the onset and ongoing Covid 19 pandemic we have seen our order intake slow down and has now at the end of the second quarter dropped below the budget and previous year. We do however anticipate a growth in quarter 3 & 4 as seen by the sales activity within the construction industry but we still feel we will end this year around 15% down on last year. The company is well placed due to significant profit reserves and cash reserves which is discussed further in note 3.2.

### **Principal risks and uncertainties**

The business has no reliance on either short term or long term borrowing therefore there is no on going risk with regard to interest rates.

Cash flow is continuously monitored to ensure the company can meet its foreseeable debts as and when they fall due.

The company's principal assets are stock and trade debtors therefore the main credit risk arises from trade debtors.

## **Xtralite (Rooflights) Limited**

### **Strategic report (continued) Year ended 31 December 2019**

---

#### **Financial key performance indicators**

The financial key performance indicators for the business are turnover, gross margin, profit before tax and cash which are all summarised above.

This report was approved by the board on 3 July 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'H D Lauridsen', written over a horizontal line.

**H D Lauridsen**  
Director

# **Xtralite (Rooflights) Limited**

## **Directors' report Year ended 31 December 2019**

---

The directors present their report and the financial statements for the year ended 31 December 2019.

### **Results and dividends**

The profit for the year, after taxation, amounted to £1,685,886 (2018: £1,592,954).

The director does not recommend the payment of a final dividend.

### **Directors**

The directors who served during the year were:

R S P Dahmer (resigned 23 August 2019)  
H Ovlisen (appointed 23 August 2019)

### **Matters covered in the strategic report**

Information regarding financial risk management and future developments, which would otherwise be disclosed in the directors' report, is instead disclosed in the strategic report as permitted by section 414C (11) of the Companies Act 2006.

### **Disclosure of information to auditor**

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

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

### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed reappointed and UNW LLP will therefore continue in office.

This report was approved by the board on 3 July 2020 and signed on its behalf by:



**H O Lauridsen**  
Director

## **Xtralite (Rooflights) Limited**

### **Directors' responsibilities statement Year ended 31 December 2019**

---

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Independent auditor's report to the members of Xtralite (Rooflights) Limited**

---

### **Opinion**

We have audited the financial statements of Xtralite (Rooflights) Limited (the 'company') for the year ended 31 December 2019, which comprise the statement of comprehensive income, the balance sheet, the statement of cash flows, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.





## **Independent auditor's report to the members of Xtralite (Rooflights) Limited (continued)**

---

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the 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.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



## **Independent auditor's report to the members of Xtralite (Rooflights) Limited (continued)**

---

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Who we are reporting to**

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.

A handwritten signature in black ink, appearing to read 'Michael Morris'.

**Michael Morris ACA FCCA (Senior Statutory Auditor)**  
**for and on behalf of UNW LLP, Statutory Auditor**  
Chartered Accountants  
Newcastle Upon Tyne

Date: 3 July 2020

## Xtralite (Rooflights) Limited

### Statement of comprehensive income Year ended 31 December 2019

	Note	2019 £	As restated 2018 £
<b>Profit and loss account</b>			
Turnover	5	8,996,697	10,656,297
Cost of sales		(5,678,737)	(6,089,529)
<b>Gross profit</b>		<b>3,317,960</b>	<b>4,566,768</b>
Distribution costs		(763,630)	(723,106)
Administrative expenses		(2,906,385)	(2,429,502)
Other operating income	6	2,462,036	-
<b>Operating profit</b>	7	<b>2,109,981</b>	<b>1,414,160</b>
Interest receivable and similar income		126,787	89,234
<b>Profit on ordinary activities before taxation</b>		<b>2,236,768</b>	<b>1,503,394</b>
Tax on profit on ordinary activities	10	(550,882)	89,560
<b>Profit for the financial year</b>		<b>1,685,886</b>	<b>1,592,954</b>

There were no amounts recognised in other comprehensive income for 2019 or 2018.

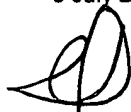
The notes on pages 13 to 23 form part of these financial statements.

# Xtralite (Rooflights) Limited

## Balance sheet At 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	11	508,363	501,983
		<u>508,363</u>	<u>501,983</u>
<b>Current assets</b>			
Stocks	12	1,376,987	1,161,559
Debtors	13	3,234,698	3,858,732
Cash at bank and in hand		3,814,945	1,405,947
		<u>8,426,630</u>	<u>6,426,238</u>
Creditors: amounts falling due within one year	14	(1,802,187)	(1,462,077)
<b>Net current assets</b>		<u>6,624,443</u>	<u>4,964,161</u>
<b>Total assets less current liabilities</b>		<u>7,132,806</u>	<u>5,466,144</u>
<b>Provisions for liabilities</b>			
Deferred taxation	15	(41,177)	(60,401)
<b>Net assets</b>		<u>7,091,629</u>	<u>5,405,743</u>
<b>Capital and reserves</b>			
Called up share capital	16	1,000	1,000
Share premium account	17	119,850	119,850
Capital redemption reserve	17	250	250
Profit and loss account	17	6,970,529	5,284,643
<b>Total equity</b>		<u>7,091,629</u>	<u>5,405,743</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:  
3 July 2020.



**H D Lauridsen**  
Director

Company registered number: 04180002

## **Xtralite (Rooflights) Limited**

### **Statement of changes in equity Year ended 31 December 2019**

---

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2018</b>	<b>1,000</b>	<b>119,850</b>	<b>250</b>	<b>3,691,689</b>	<b>3,812,789</b>
Profit for the year	-	-	-	1,592,954	1,592,954
<b>At 1 January 2019</b>	<b>1,000</b>	<b>119,850</b>	<b>250</b>	<b>5,284,643</b>	<b>5,405,743</b>
Profit for the year	-	-	-	1,685,886	1,685,886
<b>At 31 December 2019</b>	<b>1,000</b>	<b>119,850</b>	<b>250</b>	<b>6,970,529</b>	<b>7,091,629</b>

---

The notes on pages 13 to 23 form part of these financial statements.

## Xtralite (Rooflights) Limited

### Statement of cash flows Year ended 31 December 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,685,886	1,592,954
<b>Adjustments for:</b>		
Depreciation of tangible assets	124,017	138,213
Interest received	(126,787)	(89,234)
Taxation charge	550,882	(89,560)
Increase in stocks	(215,428)	(483,793)
Decrease/(increase) in debtors	224,034	(250,161)
Decrease/(increase) in amounts owed by group undertakings	400,000	(420,000)
Decrease in creditors	(143,913)	(31,854)
Increase in amounts owed to groups	102,298	-
Corporation tax paid	(188,381)	-
Profit on the sale of intellectual property	(2,462,036)	-
<b>Net cash generated from operating activities</b>	<b>(49,428)</b>	<b>366,565</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(134,588)	(80,816)
Sale of tangible fixed assets	4,191	286
Interest received	126,787	89,234
Sale of intellectual property	2,462,036	-
<b>Net cash from investing activities</b>	<b>2,458,426</b>	<b>8,704</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,408,998</b>	<b>375,269</b>
Cash and cash equivalents at beginning of year	1,405,947	1,030,678
<b>Cash and cash equivalents at the end of year</b>	<b>3,814,945</b>	<b>1,405,947</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	3,814,945	1,405,947

The notes on pages 13 to 23 form part of these financial statements.

## **Xtralite (Rooflights) Limited**

### **Analysis of net debt Year ended 31 December 2019**

---

	<b>At 1 January 2019 £</b>	<b>Cash flows £</b>	<b>At 31 December 2019 £</b>
Cash at bank and in hand	<b>1,405,947</b>	<b>2,408,998</b>	<b>3,814,945</b>
	<b><u>1,405,947</u></b>	<b><u>2,408,998</u></b>	<b><u>3,814,945</u></b>

The notes on pages 13 to 23 form part of these financial statements.

# Xtralite (Rooflights) Limited

## Notes to the financial statements Year ended 31 December 2019

---

### 1. General information

Xtralite (Rooflights) Limited is engaged in the supply of rooflights, roof domes and skylights to specifiers, installers and users of rooflights.

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The address of the registered office is given in the company information page of these financial statements.

### 2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'* ('FRS 102') and the Companies Act 2006.

### 3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### 3.1 Basis of preparation of financial statements

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling, which is the functional currency of the company.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Office salaries have been reallocated in the profit and loss account from distribution costs to administrative expenses where the directors consider the reallocation to be better treatment. This does not affect the profit for the year or the comparability of the financial statements as the prior year salaries have also been reallocated.

#### 3.2 Going concern

The company meets its working capital requirements through its cash resources and operating cash flows.

The directors have prepared financial forecasts which indicate that the company will maintain sufficient financial headroom to enable it to continue meeting its liabilities as they fall due in the normal course of business for at least the next twelve months following approval of these financial statements. Whilst the company has experienced some exposure to the impact of the Covid-19 global pandemic since the balance sheet date, actions have been taken to mitigate the financial impact and appropriate measures have now been taken to allow the continuation of all business activity. Notwithstanding any further potential ongoing impact on the company's financial performance and position beyond that already anticipated by the forecasts, the company maintains net funds and working capital which the directors consider are sufficient to fully mitigate the risks which remain due to the current economic environment.

The directors have a reasonable expectation that the company has adequate financial and other resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.



# Xtralite (Rooflights) Limited

## Notes to the financial statements Year ended 31 December 2019

---

### 1. General information (continued)

#### 3.3 Revenue

Turnover is measured at the fair value of consideration received or receivable net of VAT and trade discounts.

##### ***Sale of goods***

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on despatch of goods.

##### ***Long term contracts***

Turnover comprises revenue recognised in respect of services supplied under contract during the year, net of discounts and excluding Value Added Tax.

When the outcome of a construction contract can be estimated reliably, contract costs and turnover are recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to the proportion that contract costs to date bear to the total estimated contract costs.

Where the outcome cannot be measured reliably, contract costs are recognised as an expense in the period in which they are incurred and contract turnover is recognised to the extent of costs incurred that it is probable will be recoverable.

When it is probable that contract costs will exceed the total contract turnover, the expected loss is recognised as an expense immediately.

#### 3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less their estimated residual value, over their expected useful lives as follows:

Leasehold improvements -	20% straight line
Plant and machinery -	5% - 10% straight line or 5% - 25% reducing balance
Fixtures and fittings -	20% reducing balance

#### 3.5 Operating leases

Leases that do not confer rights and obligations approximating to ownership are classified as operating leases. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

# **Xtralite (Rooflights) Limited**

## **Notes to the financial statements Year ended 31 December 2019**

---

### **1. General information (continued)**

#### **3.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase and other costs incurred in bringing stock to its present location and condition and is determined using the weighted average method.

Provision is made as necessary for damaged, obsolete or slow-moving stock.

#### **3.7 Financial instruments**

The company only enters into financial instruments transactions that result in the recognition of basic debt financial assets and liabilities, for example trade and other debtors and creditors, cash and bank balances and loans to or from related parties, including fellow group companies.

Debt instruments which on inception are due within one year are measured initially and subsequently at the transaction price. Debt instruments which on inception are due after more than one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

At the end of each reporting period, debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

#### **3.8 Foreign currency translation**

Transactions in foreign currencies are translated into sterling using the spot exchange rate at the date of the transaction.

At each period end, foreign currency monetary assets and liabilities are translated using the closing rate. Foreign exchange gains and losses are recognised in the profit and loss account.

#### **3.9 Employee benefits**

##### *Short term benefits*

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the employee's entitlement to the benefit accrues.

##### *Defined contribution pension plans*

The company operates two defined contribution pension plans for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet. The assets of the plans are held separately from the company in independently administered funds.

# Xtralite (Rooflights) Limited

## Notes to the financial statements Year ended 31 December 2019

---

### 1. General information (continued)

#### 3.10 Taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods, and arises from 'timing differences' (where transactions or events are included in the financial statements in periods different from those in which they are assessed for tax). Deferred tax is recognised in respect of all timing differences, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing differences.

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

#### ***Revenue recognition - construction contract accounting***

The judgments and estimates which have the most significant effect on the amounts recognised in the financial statements relate to the application of construction contract accounting.

The amount of revenue and profit recognised in relation to contracts which are part complete at the balance sheet date is dependent on estimates of the further costs that will be required to complete the contract, and hence the overall profitability of the contract. Estimates of further costs (and potential revenue variations) are continually evaluated and updated, based on management's detailed knowledge of project status and contractual requirements.

Judgment is then required to assess the reliability of the estimates, which is affected by various factors, including the specific requirements of the contract and the stage of completion of the project. The amount of revenue recognised reflects management's judgment of these factors.

#### ***Key sources of estimation uncertainty***

Estimates included within these financial statements include depreciation charges and asset impairments (for example provisions against stock and debtors). None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 5. Turnover

The whole of the turnover is attributable to the supply of rooflights, roof domes and skylights to specifiers, installers and users of rooflights. All turnover arose within the United Kingdom.

## Xtralite (Rooflights) Limited

### Notes to the financial statements Year ended 31 December 2019

#### 6. Other operating income

	2019 £	2018 £
Sale of intellectual property	<u>2,462,036</u>	<u>-</u>

#### 7. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	124,017	138,213
Operating lease rentals	273,130	195,029
Fees payable to the company's auditor	<u>21,650</u>	<u>16,300</u>

#### 8. Employees

	2019 £	2018 £
Wages and salaries	2,850,084	2,662,898
Social security costs	284,656	269,212
Cost of defined contribution scheme	128,169	125,642
	<u>3,262,909</u>	<u>3,057,752</u>

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

	2019 No.	2018 No.
Directors	1	1
Office and administration	26	28
Sales	9	9
Production	53	47
	<u>89</u>	<u>85</u>

#### 9. Directors' remuneration

The directors received no remuneration in the current or prior year.

# Xtralite (Rooflights) Limited

## Notes to the financial statements Year ended 31 December 2019

### 10. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	429,835	7,027
Adjustments in respect of previous periods	140,271	(74,144)
<b>Total current tax</b>	<b>570,106</b>	<b>(67,117)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(14,160)	(17,770)
Changes to tax rates	1,491	(2,091)
Adjustment in respect of previous periods	(6,555)	(2,582)
<b>Total deferred tax</b>	<b>(19,224)</b>	<b>(22,443)</b>
<b>Taxation on profit/(loss) on ordinary activities</b>	<b>550,882</b>	<b>(89,560)</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	2,236,768	1,503,394
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	424,986	255,577
<b>Effects of:</b>		
Expenses not deductible for tax purposes	4,176	333
Adjustments to tax charge in respect of prior periods	133,716	(76,726)
Tax rate changes	1,491	(1,351)
Group relief	(13,487)	(267,393)
<b>Total tax charge for the year</b>	<b>550,882</b>	<b>(89,560)</b>

# Xtralite (Rooflights) Limited

## Notes to the financial statements Year ended 31 December 2019

### 11. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2019	35,529	2,000,000	670,466	2,705,995
Additions	-	105,768	28,820	134,588
Disposals	-	(865)	(3,326)	(4,191)
At 31 December 2019	<u>35,529</u>	<u>2,104,903</u>	<u>695,960</u>	<u>2,836,392</u>
<b>Depreciation</b>				
At 1 January 2019	19,422	1,626,188	558,402	2,204,012
Charge for the year	5,650	90,856	27,511	124,017
At 31 December 2019	<u>25,072</u>	<u>1,717,044</u>	<u>585,913</u>	<u>2,328,029</u>
<b>Net book value</b>				
At 31 December 2019	<u>10,457</u>	<u>387,859</u>	<u>110,047</u>	<u>508,363</u>
At 31 December 2018	<u>16,107</u>	<u>373,812</u>	<u>112,064</u>	<u>501,983</u>

### 12. Stocks

	2019 £	2018 £
Raw materials	1,123,300	993,072
Work in progress	253,687	168,487
	<u>1,376,987</u>	<u>1,161,559</u>

Stock is stated after provisions of impairment of £nil (2018: £nil).

## **Xtralite (Rooflights) Limited**

### **Notes to the financial statements Year ended 31 December 2019**

#### **13. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>839,422</b>	1,188,149
Amounts owed by group undertakings	<b>2,081,552</b>	2,481,552
Other debtors	<b>124</b>	1,227
Amounts recoverable on long term contracts	<b>313,600</b>	187,804
	<b><u>3,234,698</u></b>	<b><u>3,858,732</u></b>

Trade debtors are stated after provisions of impairment of £nil (2018: £nil).

#### **14. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>796,819</b>	972,748
Amounts owed to group undertakings	<b>102,298</b>	-
Corporation tax	<b>388,752</b>	7,027
Other taxation and social security	<b>304,098</b>	328,039
Other creditors	<b>36,831</b>	26,742
Accruals and deferred income	<b>173,389</b>	127,521
	<b><u>1,802,187</u></b>	<b><u>1,462,077</u></b>

## Xtralite (Rooflights) Limited

### Notes to the financial statements Year ended 31 December 2019

---

#### 15. Deferred taxation

	2019 £	2018 £
At beginning of year	(60,401)	(82,844)
Charged to the profit and loss account	12,669	19,861
Utilised in year	6,555	2,582
<b>At end of year</b>	<b>(41,177)</b>	<b>(60,401)</b>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(41,177)	(60,401)

#### 16. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,000 (2018 - 1,000) 'A' Ordinary shares of £1.00 each	1,000	1,000

#### 17. Reserves

##### Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

##### Capital redemption reserve

The capital redemption reserve is a non distributable reserve, reflecting the normal value of shares repurchased by the company.

##### Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.



## Xtralite (Rooflights) Limited

### Notes to the financial statements Year ended 31 December 2019

---

#### 18. Capital commitments

At 31 December 2019 the company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided for	-	56,713

#### 19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £128,169 (2018: £125,642). There were no contributions payable to the fund at the balance sheet date (2018: £nil).

#### 20. Commitments under operating leases

Future minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Not later than 1 year	207,690	180,136
Later than 1 year and not later than 5 years	564,930	542,566
Later than 5 years	204,583	309,583
	<u>977,203</u>	<u>1,032,285</u>

#### 21. Controlling party

The parent undertaking is Jet Group International B.V, a company incorporated in the Netherlands. Copies of the financial statements of Jet Group International B.V, a company preparing group financial statements including Xtralite (Rooflights) Limited can be obtained from the Chamber of Commerce in s-Hertogenbosch, the Netherlands.

The ultimate controlling party is VKR Holding A/S.

## **Xtralite (Rooflights) Limited**

### **Notes to the financial statements Year ended 31 December 2019**

---

#### **22. Related party transactions**

Included within debtors at the year end is an intercompany loan due from Jet Group B.V of £1,831,552 (2018 - £2,231,552) and Jet Group International B.V of £250,000 (2018 - £250,000).

During the year the company made sales to Jet Cox Limited of £6,143 (2018 - £43,117). During the year the company made purchases from Jet Cox Limited of £1,001 (2018 - £402,877).

During the year the company made sales to VKR Holdings A/S of £2,418,103 (2018 - £nil). During the year the company made purchases from VKR Holdings A/S of £70,099 (2018 - £nil). At the year end there was a balance of £70,099 (2018 - £nil) included within creditors.

During the year the company made sales to Jet Tageslicht & RWA GmbH of £280 (2018 - £35,673). During the year the company made purchases from Jet Tageslicht & RWA GmbH of £277,726 (2018 - £90,170). At the year end there was a balance of £32,199 (2018 - £17,145) included within creditors.

During the year the company made purchases from Velux Company Limited of £2,724 (2018 - £nil).

During the year the company made sales to Jet Group B.V of £nil (2018 - £81,787). At the year end there was a balance of £127,774 (2018 - £nil) included within debtors.

During the year the company made sales to Jet Bik Projecten B.V of £27,474 (2018 - £3,762). During the year the company made purchases from Jet Bik Projecten B.V of £88,304 (2018 - £3,131).

During the year the company made purchases from Jet Bik Producten B.V of £80,620 (2018 - £315,873).

During the year the company made purchases from Jet Schaumstoff - Formteile GmbH of £nil (2018 - £2,547).

During the year the company made purchases from Jet Germany GmbH & Co. KG of £4,728 (2018 - £3,445).

Key management personnel remuneration was £250,657 (2018 - £255,892).