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financial statements

Dextra Group Plc and Its Subsidiaries

For the year ended 31 December 2012

Company registration number 01380089

Dextra Group Plc and Its Subsidiaries

Financial Statements

Year ended 31 December 2012

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Dextra Group Plc and Its Subsidiaries

Officers and Professional Advisers

The Board of Directors	R H J Martin J C Martin K J Brownhill D Ward
Company Secretary	J C Martin
Registered Office	Brickfields Business Park Gillingham Dorset SP8 4PX
Auditor	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditor Peterbridge House The Lakes Northampton Northamptonshire NN4 7HB

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 December 2012

Principal activities and business review
The principal activity of the group during the year was the manufacture, assembly and distribution of light fittings

The company's principal activity is a holding and management company, providing finance, infrastructure, support, IT, HR, marketing, lighting design and facilities to all group companies

The group again suffered a small reduction in turnover in 2012 The results for the year show pre-tax profits of £12 4m (2011 £10 7m) and sales of £56 0 million (2011 £56 2 million)

The main key measurement of the group's performance is its turnover and return on investment achieved As noted above, the group suffered a decrease in turnover which the directors have to accept given the continuing difficult trading circumstances The directors consider that the return on investment achieved is in line with the groups main competitors There is further pressure on raw material, energy and logistics costs in 2013

The business is dependent on the availability of staff and the skill level of its workforce Employee numbers fell in line with turnover

Results and dividends
The profit for the year, after taxation, amounted to £9 2m Particulars of dividends paid are detailed in note 9 to the financial statements

Financial risk management objectives and policies

Risks are formally reviewed by the senior executive team and appropriate processes put in place to monitor and mitigate them

Cash flow risk
The group arranged adequate cash flow facilities and reviews them on a regular basis

Credit risk
Credit risk is the financial exposure generated by the potential default of third parties in fulfilling their obligations Credit risk arises for the company if it is unable to recover sums due from customers and it is mitigated by rigorous credit control, including the regular review of credit limits utilising data from credit agencies and the company's own financial and market intelligence

Competition risk
This company operates in a highly competitive market particularly in the area of product quality and price This results not only in downward pressure on our margins but also in the possible risk that we will not meet our customers' expectations The Dextra ethos is based on service as the norm, not as the exception

Interest rate risk
The group's interest rate policy has the objective of minimising net interest expense

Currency risk
The group faces currency risk on currency transaction flows to suppliers It mitigates the risk by the use of forward contracts for up to 12 months ahead

Material and component supplies risk
The group recognises that it has material and component supply risks The risk is mitigated by the utilisation of the group's buying policy, strategic stockholding, working closely with suppliers and the avoidance of single sourcing wherever economically appropriate

Market value of land and buildings
In the opinion on the directors the present market value of the company's land and buildings is in excess of £4 0m The book value in the accounts is £3 6m (2011 £3 6m)

Charitable and political contributions
During the year the group made charitable contributions of £12,557 (2011 £12,000) There were no political contributions

Policy and practise on the payment of creditors
It is the group's policy to agree trading and payment terms with all suppliers at the time of submitting orders

The group has negotiated credit terms with all suppliers and pays promptly where additional discounts are available The directors are not aware of any instance in which the group has failed to abide by these terms Information about the group's payment practice can be obtained from the purchasing manager at the business address of the group

The number of average days purchases of the group represented by trade creditors at 31 December 2012 was 58 (2011 49)

Research and development
Research and development expenditure is written off in the year in which it is incurred

Directors
The directors who served the company during the year were as follows

R H J Martin
J C Martin
K J Brownhill
D Ward

Directors' responsibilities
The directors are responsible for preparing 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 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 company and the group and of the profit or loss of the group for that year

In preparing those 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Donations

During the year the group made charitable donations to the following entities

	2012	2011
	£	£
Air Ambulance	**10,000**	10,000
Blandford Opportunity Group	**nil**	1,000
MS Society	**nil**	1,000
Help for Heros	**500**	nil
Cancer Research	**57**	nil
Flying Colours	**1,000**	nil
Stepping Stones	**1,000**	nil
Total	**£12,557**	£12,000

Disabled employees

The group make every endeavour to employ disabled persons where the disabilities do not handicap these persons in the performance of their duties Where a person already in employment becomes disabled every effort is made to resettle that person in a suitable post and appropriate training is given Registered disabled persons once employed receive equal opportunities for training, career development and promotion

Employee involvement

The directors recognise the importance of good communications and relations with employees and endeavour to promote harmonious working relations Regular meetings are held between management and employees at all levels at which information about the current position of the group and the future outlook is discussed

Auditor
MHA MacIntyre Hudson is deemed to be re-appointed under section 487(2) of Companies Act 2006

Registered office
Brickfields Business Park
Gillingham
Dorset
SP8 4PX

Signed by order of the directors

J C Martin
Company Secretary

Approved by the directors on 29th May 2013

We have audited the group and parent company financial statements ("the financial statements") of Dextra Group Plc and Its Subsidiaries for the year ended 31 December 2012 which comprise the Group Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow, Accounting Policies and the related notes 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)

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 4 to 5, 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 (APB'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 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 parent company's affairs as at 31 December 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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

MHA MacIntyre Hudson

MICHAEL BROWN FCA (Senior Statutory Auditor)
For and on behalf of
MHA MACINTYRE HUDSON
Chartered Accountants
& Statutory Auditor

Peterbridge House
The Lakes
Northampton
Northamptonshire
NN4 7HB

29 May 2013

Dextra Group Plc and Its Subsidiaries

Group Profit and Loss Account

Year ended 31 December 2012

	Note	2012 £	2011 £
Group turnover	1	**56,046,265**	56,154,256
Cost of sales		**33,094,736**	35,357,740
Gross profit		**22,951,529**	20,796,516
Distribution costs		**4,547,080**	4,127,721
Administrative expenses		**6,050,448**	5,803,321
Other operating income	2	**(42)**	(239)
Operating profit	3	**12,354,043**	10,865,713
Interest receivable		**83,216**	27,947
Interest payable and similar charges	6	**(35,522)**	(194,228)
Profit on ordinary activities before taxation		**12,401,737**	10,699,432
Tax on profit on ordinary activities	7	**3,247,851**	2,891,839
Profit on ordinary activities after taxation, being profit for the financial year	8	**£9,153,886**	£7,807,593

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The accounting policies and notes on pages 14 to 28 form part of these financial statements

Dextra Group Plc and Its Subsidiaries

Group Balance Sheet

31 December 2012

	Note	2012 £	2012 £	2011 £
Fixed assets				
Tangible assets	10		8,499,077	8,628,799
Current assets				
Stocks	12	4,098,332		5,047,272
Debtors	13	13,523,081		12,734,336
Cash at bank and in hand		16,259,351		8,442,973
		33,880,764		26,224,581
Creditors: Amounts falling due within one year	14	11,262,742		11,855,897
Net current assets			22,618,022	14,368,684
Total assets less current liabilities			31,117,099	22,997,483
Creditors: Amounts falling due after more than one year	15		87,049	1,205,983
Provisions for liabilities				
Other provisions	17		1,815,646	1,630,982
			£29,214,404	£20,160,518
Capital and reserves				
Called-up equity share capital	22		50,000	50,000
Profit and loss account	23		29,164,404	20,110,518
Shareholders' funds	24		£29,214,404	£20,160,518

These financial statements were approved by the directors and authorised for issue on 29th May 2013, and are signed on their behalf by

R H J Martin
Director

The accounting policies and notes on pages 14 to 28 form part of these financial statements.

Dextra Group Plc and Its Subsidiaries

Company Registration Number: 01380089

Balance Sheet

31 December 2012

	Note	2012 £	2012 £	2011 £
Fixed assets				
Tangible assets	10		**8,499,077**	8,628,799
Investments	11		**700**	600
			8,499,777	8,629,399
Current assets				
Stocks	12	**4,098,332**		5,047,272
Debtors	13	**3,666,195**		2,392,909
Cash at bank and in hand		**15,258,074**		6,442,973
		23,022,601		13,883,154
Creditors: Amounts falling due within one year	14	**22,469,541**		12,654,611
Net current assets			**553,060**	1,228,543
Total assets less current liabilities			**9,052,837**	9,857,942
Creditors Amounts falling due after more than one year	15		**87,049**	1,205,983
			£8,965,788	£8,651,959
Capital and reserves				
Called-up equity share capital	22		**50,000**	50,000
Profit and loss account	23		**8,915,788**	8,601,959
Shareholders' funds			**£8,965,788**	£8,651,959

These financial statements were approved by the directors and authorised for issue on 29th May 2013, and are signed on their behalf by

R H J Martin
Director

The accounting policies and notes on pages 14 to 28 form part of these financial statements.

Dextra Group Plc and Its Subsidiaries

Group Cash Flow

Year ended 31 December 2012

	Note	2012 £	2012 £	2011 £
Net cash inflow from operating activities			**14,338,373**	9,713,640
Returns on investments and Servicing of finance				
Interest received		**83,216**		27,947
Interest paid		**(35,507)**		(194,140)
Interest element of finance leases		**(15)**		(88)
Net cash inflow/(outflow) from returns on investments and servicing of finance			**47,694**	(166,281)
Taxation			**(3,046,641)**	(3,322,791)
Capital expenditure				
Payments to acquire tangible fixed assets		**(2,409,890)**		(2,581,482)
Receipts from sale of fixed assets		**392,483**		780,672
Net cash outflow from capital expenditure			**(2,017,407)**	(1,800,810)
Equity dividends paid			**(100,000)**	(1,250,000)
Cash inflow before financing			**9,222,019**	3,173,758
Financing				
Repayment of bank loans		**(1,300,000)**		(1,681,274)
Capital element of finance leases		**(907)**		(1,494)
Net outflow from other long-term creditors		**(104,734)**		(100,520)
Net cash outflow from financing			**(1,405,641)**	(1,783,288)
Increase in cash	25		**£7,816,378**	£1,390,470

The accounting policies and notes on pages 14 to 28 form part of these financial statements.

Dextra Group Plc and Its Subsidiaries

Group Cash Flow

Year ended 31 December 2012

Reconciliation of operating profit to net cash inflow from operating activities

	2012 £	2011 £
Operating profit	**12,354,043**	10,865,713
Depreciation	**2,249,004**	2,155,932
Profit on disposal of fixed assets	**(101,875)**	(262,480)
Decrease/(increase) in stocks	**948,940**	(27,249)
(Increase)/decrease in debtors	**(788,745)**	661,625
Decrease in creditors	**(507,658)**	(3,891,210)
Increase in provisions	**184,664**	211,309
Net cash inflow from operating activities	**£14,338,373**	£9,713,640

The accounting policies and notes on pages 14 to 28 form part of these financial statements.

Basis of accounting
The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the company and all group undertakings These are adjusted, where appropriate, to conform to group accounting policies Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006

Turnover
The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

Research and development
Research and development expenditure is written off in the year in which it is incurred

Fixed assets
All fixed assets are initially recorded at cost

Depreciation
Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Freehold property	- 2% straight line
Plant and machinery	- 10 to 25% straight line or reducing balance
Fixtures and fittings	- 15 to 33% straight line or reducing balance
Motor vehicles	- 25% straight line

Included within land and buildings is approximately £227,000 in respect of land which is not depreciated

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Finance lease agreements
Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies Future instalments under such leases, net of finance charges, are included within creditors Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments

Operating lease agreements
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year The assets of the scheme are held separately from those of the company in an independently administered fund

Provisions for liabilities and charges
The company recognises a provision when it has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle this obligation and a reasonable estimate can be made of the amount of the obligation

Provision has been made in respect of the company's obligation under the WEEE legislation as detailed in the notes to the accounts

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction Exchange differences are taken into account in arriving at the operating profit

Derivative instruments
The company uses interest rate swaps to adjust interest rate exposures

Interest differentials are recognised by accruing the net interest payable Interest rate swaps are not revalued to fair value or shown on the group balance sheet at the year end If they are terminated early, the gain or loss is spread over the remaining maturity of the original instrument

Financial instruments
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classes as financial instruments Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classes as an equity instrument Dividends and distributions relating to equity instruments are debited to equity

Dextra Group Plc and Its Subsidiaries

Notes to the Financial Statements

Year ended 31 December 2012

1. Turnover

The turnover and profit before tax are attributable to the one principal activity of the group

An analysis of turnover by destination by geographical area is as follows

	2012	2011
	£	£
United Kingdom	**54,968,741**	55,204,228
Rest of European Union	**935,660**	826,137
Rest of the World	**141,864**	123,891
Total	**£56,046,265**	£56,154,256

2 Other operating income

	2012	2011
	£	£
Other operating income	**42**	239

3. Operating profit

Operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation of owned fixed assets	**2,249,004**	2,150,023
Depreciation of assets held under finance lease agreements	**–**	5,909
Profit on disposal of fixed assets	**(101,875)**	(262,480)
Auditor's remuneration		
- as auditor	**23,500**	22,000
- for other services	**13,000**	21,875
Operating lease costs		
- Other	**489,068**	481,381
Net profit on foreign currency translation	**(224,368)**	(217,502)

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered

	2012	2011
	£	£
Audit	**23,500**	22,000
Accountancy	**6,000**	11,000
Taxation	**7,000**	10,875
	£36,500	£43,875

4. Particulars of employees

The average number of staff employed by the group during the financial year amounted to

	2012 No	2011 No
Number of production staff	**376**	377
Number of distribution staff	**79**	80
Number of administrative staff	**37**	37
	492	494

The aggregate payroll costs of the above were

	2012 £	2011 £
Wages and salaries	**11,889,713**	12,404,060
Social security costs	**1,071,417**	1,129,103
Other pension costs	**154,138**	155,070
	£13,115,268	£13,688,233

5 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012 £	2011 £
Remuneration receivable	**913,765**	1,046,846
Value of company pension contributions to money purchase schemes	**29,424**	35,054
	£943,189	£1,081,900

Remuneration of highest paid director:

	2012 £	2011 £
Total remuneration (excluding pension contributions)	**354,662**	322,516

The number of directors who accrued benefits under company pension schemes was as follows

	2012 No	2011 No
Money purchase schemes	**2**	3

6 Interest payable and similar charges

	2012 £	2011 £
Interest payable on bank borrowing	**27,691**	182,199
Finance charges	**15**	88
Other similar charges payable	**7,816**	11,941
	£35,522	£194,228

7 Taxation on ordinary activities

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
UK Corporation tax based on the results for the year at 24 50% (2011 – 26 50%)	**3,247,760**	2,891,839
Under provision in prior year	**91**	-
Total current tax	**£3,247,851**	£2,891,839

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 24 50% (2011 – 26 50%)

	2012 £	2011 £
Profit on ordinary activities before taxation	**12,401,737**	10,699,432
Profit on ordinary activities by rate of tax	**3,038,426**	2,834,536
Expenses not deductible for tax purposes	**18,928**	13,555
Capital allowances for period in excess of depreciation	**218,757**	92,992
Tax chargeable at lower rates	**(1,213)**	(6,573)
Adjustments to tax charge in respect of previous periods	**91**	-
Rounding on tax charge	**(43)**	-
Additional relief on research and development	**-**	(32,815)
Sundry tax adjusting items	**(27,095)**	(9,856)
Total current tax (note 7(a))	**£3,247,851**	£2,891,839

8. Profit attributable to members of the parent company

The profit dealt with in the financial statements of the parent company was £413,829 (2011 - £5,620,707)

Dextra Group Plc and Its Subsidiaries

Notes to the Financial Statements

Year ended 31 December 2012

9. Equity dividends

	2012 £	2011 £
Equity dividends paid on ordinary shares	**100,000**	1,250,000

10 Tangible fixed assets

Group

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2012	4,597,027	9,353,993	1,014,290	3,403,755	18,369,065
Additions	9,960	539,192	235,468	1,625,270	2,409,890
Disposals	–	–	–	(661,241)	(661,241)
At 31 December 2012	**£4,606,987**	**£9,893,185**	**£1,249,758**	**£4,367,784**	**£20,117,714**
Depreciation					
At 1 January 2012	948,730	6,902,173	575,567	1,313,796	9,740,266
Charge for the year	87,558	1,151,634	149,602	860,210	2,249,004
On disposals	–	–	–	(370,633)	(370,633)
At 31 December 2012	**£1,036,288**	**£8,053,807**	**£725,169**	**£1,803,373**	**£11,618,637**
Net book value					
At 31 December 2012	**£3,570,699**	**£1,839,378**	**£524,589**	**£2,564,411**	**£8,499,077**
At 31 December 2011	£3,648,297	£2,451,820	£438,723	£2,089,959	£8,628,799

Finance lease agreements

Included within the net book value of £8,499,077 is £Nil (2011 - £14,772) relating to assets held under finance lease agreements The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2011 - £5,909)

10. Tangible fixed assets *(continued)*

Company

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2012	4,597,027	9,353,993	1,014,290	3,403,755	18,369,065
Additions	9,960	539,192	235,468	1,625,270	2,409,890
Disposals	–	–	–	(661,241)	(661,241)
At 31 December 2012	£4,606,987	£9,893,185	£1,249,758	£4,367,784	£20,117,714
Depreciation					
At 1 January 2012	948,730	6,902,173	575,567	1,313,796	9,740,266
Charge for the year	87,558	1,151,634	149,602	860,210	2,249,004
On disposals	–	–	–	(370,633)	(370,633)
At 31 December 2012	£1,036,288	£8,053,807	£725,169	£1,803,373	£11,618,637
Net book value					
At 31 December 2012	£3,570,699	£1,839,378	£524,589	£2,564,411	£8,499,077
At 31 December 2011	£3,648,297	£2,451,820	£438,723	£2,089,959	£8,628,799

Finance lease agreements

Included within the net book value of £8,499,077 is £Nil (2011 - £14,772) relating to assets held under finance lease agreements The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2011 - £5,909)

11. Investments

Company

	Group companies £
Cost	
At 1 January 2012	600
Additions	100
At 31 December 2012	£700
Net book value	
At 31 December 2012	£700
At 31 December 2011	£600

11. Investments *(continued)*

All of the 100% owned subsidiaries listed below have taken advantage of exemption S479A of the Companies Act 2006, to not be individually audited on the basis that the group financial statements are audited

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
All held by the company				
Dextra Lighting Limited	England	Ordinary shares	100%	Sales
Dexsor Limited	England	Ordinary shares	100%	Sales
Dexeco Limited	England	Ordinary shares	100%	Sales
Dexreco Limited	England	Ordinary shares	100%	Recycling
Dextra Services Limited	England	Ordinary shares	100%	Manufacturing
Dexretail Limited	England	Ordinary shares	100%	Sales
LEDextra Limited	England	Ordinary shares	100%	Sales
LEDex Limited	England	Ordinary shares	100%	Dormant
Associated undertakings				
All held by the company				
Dextra Lighting Australia Pty Limited	Australia	Ordinary shares	30%	Dormant

12. Stocks

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Raw materials	**2,905,515**	3,247,132	**2,905,515**	3,247,132
Finished goods	**1,192,817**	1,800,140	**1,192,817**	1,800,140
	£4,098,332	£5,047,272	**£4,098,332**	£5,047,272

13 Debtors

	Group 2012 £	Group 2011 £	Company 2012 £	Company 2011 £
Trade debtors	**11,882,304**	11,977,257	–	–
Amounts owed by group undertakings	–	–	**709,148**	1,647,664
Corporation tax repayable	–	–	**1,316,270**	–
Other debtors	**491,985**	492,108	**491,985**	492,108
Directors loan accounts	**297,000**	–	**297,000**	–
Prepayments and accrued income	**851,792**	264,971	**851,792**	253,137
	£13,523,081	£12,734,336	**£3,666,195**	£2,392,909

The debtors above include the following amounts falling due after more than one year

	Group 2012 £	Group 2011 £	Company 2012 £	Company 2011 £
Other debtors	**393,082**	393,205	**393,082**	393,205

14. Creditors: Amounts falling due within one year

	Group 2012 £	Group 2011 £	Company 2012 £	Company 2011 £
Bank loans	–	248,440	–	248,440
Trade creditors	**3,886,358**	3,566,361	**3,886,357**	3,566,362
Amounts owed to group undertakings	–	–	**17,119,477**	6,941,138
Finance lease agreements	–	907	–	907
Directors' current accounts	**49,055**	111,693	**49,055**	111,693
Other creditors including taxation and social security				
Corporation tax	**1,537,807**	1,336,597	–	144,328
Other taxation and social security	**775,151**	996,849	**775,151**	961,714
Other creditors	**75,094**	113,320	**75,094**	112,454
Accruals and deferred income	**4,939,277**	5,481,730	**564,407**	567,575
	£11,262,742	£11,855,897	**£22,469,541**	£12,654,611

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group 2012 £	Group 2011 £	Company 2012 £	Company 2011 £
Bank loans	–	248,440	–	248,440
Finance lease agreements	–	907	–	907
	–	249,347	–	249,347

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

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Bank loans and overdrafts	–	1,051,560	–	1,051,560
Other creditors	**87,049**	154,423	**87,049**	154,423
	£87,049	£1,205,983	**£87,049**	£1,205,983

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date They are also secured by the company

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Bank loans and overdrafts	–	1,051,560	–	1,051,560

The bank loan was fully repaid during the year before the end of the loan term

16. Commitments under finance leases agreements

Future commitments under finance leases agreements are as follows

	2012	2011
	£	£
Group and Company		
Amounts payable within 1 year	-	907
	-	907

17. Other provisions

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Other provisions	**1,815,646**	1,630,982	-	-

Balance brought forward	**1,630,982**	1,419,673
Provision in the year	**203,529**	211,309
Utilised during the year	**(18,865)**	-
	1,815,646	1,630,982

From 1 July 2007 the Waste Electrical and Electronic Equipment ("WEEE") legislation became effective in the UK Since that date the group has been making a provision for anticipated future costs arising from this legislation, based on the number of units sold to which this legislation is applicable

18. Derivatives

In the opinion on the directors, there is no significant difference between the book value and the fair value of the derivative instrument in place at the year end

19 Commitments under operating leases

At 31 December 2012 the group had annual commitments under non-cancellable operating leases as set out below

Group	**2012**		2011	
	Land and buildings £	**Other items £**	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	**92,000**	**1,947**	-	-
Within 2 to 5 years	**255,000**	**11,406**	347,000	12,810
After more than 5 years	**145,530**	**-**	145,530	-
	£492,530	**£13,353**	£492,530	£12,810

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below

Company	**2012**		2011	
	Land and buildings £	**Other items £**	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	**92,000**	**1,947**	-	-
Within 2 to 5 years	**255,000**	**11,406**	347,000	12,810
After more than 5 years	**145,530**	**-**	145,530	-
	£492,530	**£13,353**	£492,530	£12,810

20. Advances, credits and guarantees with the Directors

At the year end R H J Martin and D Ward were granted loans of £122,000 and £175,000 respectively Interest is charged at 4% per annum on these loans

21 Related party transactions

The group's ultimate controlling party is R H J Martin by virtue of his majority shareholding in the company

R H J Martin and J C Martin are partners in a farming business The following transactions took place on normal commercial terms in the ordinary course of business

Expenses incurred by the company £nil (2011 £9,904)

R H J Martin and J C Martin are trustees and beneficiaries of Dextra Executive Pension Scheme The company has borrowed £162,143 (2011 £266,877) from the scheme Loan interest of £7,720 (2011 £11,933) was paid during the year Rent paid to the scheme in respect of leased property totalled £413,000 (2011 £413,000)

During the previous year, A R Martin, the son of R H J and J C Martin, received a loan on which interest is being charged at 4% Interest of £15,725 (2011 £5,312) was charged and repayments of £15,848 (2011 £5,324) were made during the year Amounts due from A R Martin at the year end were £393,082 (2011 £393,205)

Dividends on beneficial shareholdings were paid during the year as follows

R H J Martin £99,000 (2011 £1,237,500)
J C Martin £1,000 (2011 £12,500)

22. Share capital

Allotted, called up and fully paid·

	2012		2011	
	No	**£**	No	£
Ordinary shares of £1 each	**50,000**	**50,000**	50,000	50,000

23. Reserves

Group

	Profit and loss account £
Balance brought forward	**20,110,518**
Profit for the year	**9,153,886**
Equity dividends	**(100,000)**
Balance carried forward	**£29,164,404**

23. Reserves *(continued)*

Company

	Profit and loss account £
Balance brought forward	8,601,959
Profit for the year	413,829
Equity dividends	(100,000)
Balance carried forward	£8,915,788

24 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	9,153,886	7,807,593
Equity dividends	(100,000)	(1,250,000)
Net addition to shareholders' funds	9,053,886	6,557,593
Opening shareholders' funds	20,160,518	13,602,925
Closing shareholders' funds	£29,214,404	£20,160,518

25 Notes to the cash flow statement

Reconciliation of net cash flow to movement in net funds

	2012 £	£	2011 £
Increase in cash in the period	7,816,378		1,390,470
Net cash outflow from bank loans	1,300,000		1,681,274
Cash outflow in respect of finance leases	907		1,494
Net cash outflow from other long-term creditors	104,734		100,520
		9,222,019	3,173,758
Change in net funds		9,222,019	3,173,758
Net funds at 1 January 2012		6,875,189	3,701,431
Net funds at 31 December 2012		£16,097,208	£6,875,189

25. Notes to the cash flow statement *(continued)*

Analysis of changes in net funds

	At 1 Jan 2012 £	Cash flows £	At 31 Dec 2012 £
Net cash			
Cash in hand and at bank	8,442,973	7,816,378	16,259,351
Debt			
Debt due within 1 year	(360,894)	285,800	(75,094)
Debt due after 1 year	(1,205,983)	1,118,934	(87,049)
Finance lease agreements	(907)	907	–
	(1,567,784)	1,405,641	(162,143)
Net funds	£6,875,189	£9,222,019	£16,097,208

26 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £493,396 (2011 - £Nil)

27 Contingent liability

The company has guaranteed the liabilities of its subsidiaries at 31 December 2012