

Registration number: 10120396

# Version 2 Lights Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Landmark Audit Limited  
Chartered Accountants  
Statutory Auditors  
Leavesden Park  
5 Hercules Way  
Watford  
Hertfordshire  
WD25 7GS

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30/09/2022  
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## **Version 2 Lights Limited**

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## **Version 2 Lights Limited**

### **Company Information**

|                          |   |
|--------------------------|---|
| <b>Directors</b>         | Mr N Edwards<br>Ms N J Rowe<br>Ms K Cornfield   |
| <b>Registered office</b> | The Old Grain Store<br>Childs Court Farm<br>Ashampstead Common<br>Reading<br>Berkshire<br>RG8 8QT   |
| <b>Bankers</b>           | Lloyds Bank<br>115 Victoria Road<br>Aldershot<br>Hampshire<br>GU11 1JQ  |
| <b>Solicitors</b>        | Blaser Mills LLP<br>40 Oxford Road<br>High Wycombe<br>Buckinghamshire<br>HP11 2DD   |
| <b>Auditors</b>          | Landmark Audit Limited<br>Chartered Accountants<br>Statutory Auditors<br>Leavesden Park<br>5 Hercules Way<br>Watford<br>Hertfordshire<br>WD25 7GS |

## Version 2 Lights Limited

### Strategic Report for the Year Ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

#### **Business review**

The principal activity of the company is the provision of lighting facilities to the television, broadcast and events industries. The company is a supplier to the BBC, ITV, Sky, Amazon, Netflix and ESPN as well as a number of independent leading production companies.

In just five short years the company has grown year-on-year to establish itself as a market leader in the television lighting industry. Since its inception the fundamental ethos has been to provide a premier quality service, providing the latest and best equipment backed by unrivalled customer support.

The company has a proven, dedicated Management team who have grown up together through the industry with friendships which span well beyond the timeframe of Version 2 Lights Ltd. The Management team have demonstrated success at every point of their respective careers.

The company has established long standing relationships with high-profile television professionals (many regarded as friends) and enjoys continual repeat business from these existing clients whilst successfully reaching out to new clients by its increasing reputation and its marketing activities. I think key to our long-standing relationships is honesty, people trust you when you tell the truth. Trust has built these relationships.

The company supplied lighting services to a multitude of high-profile shows including Strictly Come Dancing, I'm A Celebrity...Get Me Out Of Here!, Love Island - Aftersun, A Great British Bake Off -Extra Slice, 8 Out Of 10 Cats, Would I Lie To You? and The Jonathan Ross Show. These productions take place in major studios such as BBC Television Centre, Media City, Elstree Film Studios and Pinewood Studios.

The company is also active in the sports outside broadcast sector, supplying lighting facilities to Formula 1, Wimbledon Tennis Championship and the ATP Tennis Tour for Amazon Prime Video. The company looks to expand upon this area of its offering in the coming years. The company is equally adept at supplying lighting to locations as well as traditional studio environments.

The company operates a modern inventory of well-maintained lighting equipment, the company successfully practices intelligent investment in specific 'cutting edge' technology which facilitates its continued growth and the attraction of new contracts, thereby result in continued growth in its market share.

#### *The Version 2 Way*

It's important for me to finish talking about people, the continued success of this company is all down to good people. We hire people with passion and who care, we can't put that fire in someone's belly. Only they can do that.

Culture is important to us. We are not a normal company. This is not your average 9 to 5. Making this a fun place to work is important, but is never confused with being an easy place to work. Trying to be better than the other guys is never easy!

Many of our competitors look to us as the innovators in our industry, I strongly believe this to be true. We listen to our customers, we try stuff. We make mistakes. This is how we learn. On a daily basis we treat average as the enemy. We are brave with our ideas, and we work hard to realise them.

We have fantastic sophisticated systems at this company which are integral to our operations. Quite frankly, the people here that implement these systems are far cleverer than me. Sophistication is good, but I frequently like to remind the team, "If we can't do the basics amazingly well, nothing else will matter".

Together, we're all immensely proud of what we are building here.

## Version 2 Lights Limited

### Strategic Report for the Year Ended 31 March 2022

The company's key financial and other performance indicators during the year were as follows:

| Financial KPIs    | Unit | 2022      | 2021      | Change    |
|-------------------|------|-----------|-----------|-----------|
| Turnover          | £    | 3,066,378 | 1,875,644 | 1,190,734 |
| EBITDA            | £    | 940,373   | 470,795   | 469,578   |
| Total Assets      | £    | 3,528,929 | 2,537,991 | 990,938   |
| Shareholder Funds | £    | 1,687,511 | 1,203,020 | 484,491   |

#### Principle risks and uncertainties

The company has a dedicated, proven management team, who are focussed on pursuing excellence. It has adopted a formal approach to the identification and management of risks and uncertainties to include regular review and monitoring of business processes.

The principal risks and uncertainties facing the company have been identified as follows:

#### Economic Risks (A)

The directors acknowledge that the company operates within a highly competitive market, one in which new and existing competitors seek to expand their current market share of the business. However, due to the strength of long-term relationships and in terms of repeat business and new clients, the directors are satisfied with the company's ability to maintain and grow its position within this market.

#### Operational Risks (B)

Health and safety is a recognised operation risk, therefore the company takes its responsibility of its staff and freelancers seriously. The company engages Showsmiths Ltd as their independent H&S advisors, with Mike Herbert (TechIOSH) serving as a consultant.

The company has demonstrated compliance with CHAS standards in line with SSIP core criteria and UK H&S legislation and has been awarded accreditation to the requirements of the CDM Regulations 2015. The company is also an active member of the industry governing body PLASA.

#### Technology Risks (C)

The on-going investment in new lighting technology continues to mitigate the risk created by changing technology. The company operates industry-leading inventory systems with rigorous procedures in place to track equipment. Equipment is well maintained, and thoroughly tested by an experienced team of technicians and electricians. Reliability of equipment is of paramount importance to our clients.

#### Credit Risks (D)

This risk exists due to the possibility that a key customer will cause financial hardship or loss by failing to discharge their obligations. It is the company's policy to minimise such losses by ensuring that deferred terms are only granted to customers who meet the company's credit checks or established customers with a strong trading history.

#### Legislative Risks (E)

The UK remains a favoured country for film and television production which is supported by the government's tax incentives and the country's diverse and professional mix of companies providing services in this industry.

#### Covid-19 Risks (F)

The principal risks and uncertainty facing the company result from the impact of COVID both within our industry and globally. However, the significant increase demand for television consumption has resulted in an unprecedented levels of demand for new productions in 2022.

The company's growth in the last two financial years has shown a strong resilience in the film and television sector.

## **Version 2 Lights Limited**

### **Strategic Report for the Year Ended 31 March 2022**

#### **Charitable Activities and sports sponsorship**

The company has a strong association with professional sport, in particular supporting the growth and development of women's sport. During the last period ending 31 March 2022 the company had the following agreements in place:

Official lighting partner to Gallagher Premiership Rugby Club Saracens.

Official lighting partner to BOXXER and Sky Sports Boxing.

Headline sponsor of WBO Middleweight Champion Boxer Savannah Marshall.

Lead partner of Vitality Superleague Netball Team the Saracens Mavericks.

Principal partner of Allianz Premier15 Rugby Team Saracens Women.

The company continues to take an active role in its community and has supported many community events by way of donations and/or the loan of technical equipment and personnel.

#### **Future developments**

The film and television industry in the United Kingdom is expanding at unprecedented levels, the sheer volume of new studio developments is clear for us all to observe in the national press. This sustained demand for television content continues to drive up demand for lighting equipment.

We have two distinct advantages to capitalise on these opportunities;

As a company of 5 years of age, our modern inventory, and innovative propriety systems are cutting edge. We are not weighed down by an inventory of obsolete legacy equipment like some of our competitors.

We are strong believers in 'doing one thing well' and as such our sole focus is the provision of lighting for film and television, we are experts in this field. Whilst some of our competitors try to cover multiple genres, broadcasters and production companies favour specialist companies.

The success of the company will continue to be attributed to having good, passionate people, we will continue to focus on developing people from within as well as recruiting the very best external talent.

The company continues year-on-year to seek out new opportunities to broaden its offering and increase its market share.

#### **Post balance sheet events**

On 1 April 2022 Version 2 Lights Ltd appointed Ms Kelly Cornfield as a Director of the company. Kelly joined from global lighting company Production Resource Group UK Ltd. Renowned industry leader Kelly has previously account managed productions such as The BRITS, MTV Europe Awards, Dancing On Ice, The Voice and many other leading television productions. Kelly has enjoyed a great working relationship with a number of the Version 2 team for over 20 years.

On 5 July 2022 Version 2 Lights Ltd acquired the assets of Finelight Ltd a UK-based television lighting rental company. Finelight's rental business will merge fully under the Version 2 umbrella with immediate effect. Simon Perrott Managing Director, Finelight Ltd, a highly experienced industry veteran, will serve as a consultant to Version 2 Lights Ltd.

The directors of the company are excited about the future growth opportunities ahead for Version 2 Lights Ltd.

**Version 2 Lights Limited**

**Strategic Report for the Year Ended 31 March 2022**

Approved and authorised by the Board on 29/09/22 and signed on its behalf by:



.....  
Mr N Edwards  
Director

## Version 2 Lights Limited

### Directors' Report for the Year Ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

#### Principal activity

The principal activity of the company in the period under review was, and continues to be, that of the provision of lighting facilities to the broadcast, events and television industry.

#### Results and dividends

Profit before tax for the year amounted to £523,235 (2021- £218,869)

The total distribution of dividends for the period ended 31 March 2022 is £Nil (2021- £Nil)

#### Director of the company

The directors who held office during the year were as follows:

Mr N Edwards

Ms N J Rowe

The following director was appointed after the year end:

Ms K Cornfield (appointed 1 April 2022)

#### Financial control

The directors acknowledge their responsibility for the company's system of internal financial control and further carry out continual review and enhancement of their existing systems.

It is the intention of the directors to ensure that all earned profits are retained within the company and they are sufficient to continue planned business operations and expansions.

#### Going concern

The directors carefully monitor all potential 'going concern' issues. The company achieves this through robust monthly management account reporting, monitoring its business and liquidity. Budgets and cash flow forecasts are produced and monitored on a monthly basis to support the directors assessment of this.

Based upon the current trading results for the period ended 31 March 2022 the directors are extremely pleased that the business is not only operating in line, but exceeding its forecast and business plans.

The strategy to purchase the latest cutting edge lighting technology continues to be partly funded by finance from asset financing companies. The company enjoys an excellent longstanding relationship with key funders Azule Ltd.

The company also benefits from the continued support of its main shareholders Nick Edwards and Nigel Wray, both of whom have made significant capital investments in the company by way of share capital and directors' loans.



## Version 2 Lights Limited

### Directors' Report for the Year Ended 31 March 2022

#### Statement of directors' responsibilities

The directors acknowledge their responsibilities 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 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 apply them consistently;
- make judgements 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 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.

#### Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

#### Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### Reappointment of auditors

The auditors Landmark Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 29/09/22 and signed on its behalf by:



Mr N Edwards  
Director

## Version 2 Lights Limited

### Independent Auditor's Report to the Members of Version 2 Lights Limited

#### Opinion

We have audited the financial statements of Version 2 Lights Limited (the 'company') for the year ended 31 March 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, 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 FRS 102 Section 1A '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 March 2022 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 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 UK, including the FRC'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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### 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.

## **Version 2 Lights Limited**

### **Independent Auditor's Report to the Members of Version 2 Lights Limited**

#### **Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities [set out on page 7], 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Version 2 Lights Limited**

### **Independent Auditor's Report to the Members of Version 2 Lights Limited**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available 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.

## Version 2 Lights Limited

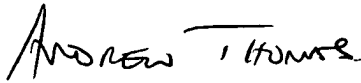
### Independent Auditor's Report to the Members of Version 2 Lights Limited

#### Other matter

The prior period financial statements were not audited.

#### Use of our report

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.



.....  
Andrew Thomas (Senior Statutory Auditor)  
For and on behalf of Landmark Audit Limited  
Chartered Accountants  
Statutory Auditors  
Leavesden Park  
5 Hercules Way  
Watford  
Hertfordshire  
WD25 7GS

Date: 29/04/2022

## Version 2 Lights Limited

### Profit and Loss Account for the Year Ended 31 March 2022

|  | Note | 2022<br>£             | Unaudited<br>2021<br>£ |
|--|------|-----------------------|------------------------|
| Turnover                                     |      | 3,066,378             | 1,875,644              |
| Cost of sales                                |      | <u>(1,367,006)</u>    | <u>(1,033,518)</u>     |
| Gross profit                                 |      | 1,699,372             | 842,126                |
| Administrative expenses                      |      | (1,123,455)           | (631,408)              |
| Other operating income                       |      | <u>-</u>              | <u>39,672</u>          |
| Operating profit                             |      | <u>575,917</u>        | <u>250,390</u>         |
| Other interest receivable and similar income |      | 1                     | 1                      |
| Interest payable and similar expenses        |      | <u>(52,683)</u>       | <u>(31,522)</u>        |
|  |      | <u>(52,682)</u>       | <u>(31,521)</u>        |
| Profit before tax                            | 5    | 523,235               | 218,869                |
| Tax on profit                                |      | <u>(38,744)</u>       | <u>(43,843)</u>        |
| Profit for the financial year                |      | <u><u>484,491</u></u> | <u><u>175,026</u></u>  |

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**Version 2 Lights Limited**

**(Registration number: 10120396)**  
**Balance Sheet as at 31 March 2022**

|  | Note | 2022               |                  | Unaudited<br>2021 |                  |
|--|------|--------------------|------------------|-------------------|------------------|
|  |      | £                  | £                | £                 | £                |
| <b>Fixed assets</b>  |      |                    |                  |                   |                  |
| Tangible assets  | 6    |                    | 3,125,235        |                   | 1,838,285        |
| <b>Current assets</b>  |      |                    |                  |                   |                  |
| Debtors  | 7    | 220,934            |                  | 648,788           |                  |
| Cash at bank and in hand                                       |      | <u>182,760</u>     |                  | <u>50,918</u>     |                  |
|  |      | 403,694            |                  | 699,706           |                  |
| <b>Creditors: Amounts falling due within one year</b>          | 8    | <u>(1,102,388)</u> |                  | <u>(803,768)</u>  |                  |
| <b>Net current liabilities</b>                                 |      |                    | <u>(698,694)</u> |                   | <u>(104,062)</u> |
| <b>Total assets less current liabilities</b>                   |      |                    | 2,426,541        |                   | 1,734,223        |
| <b>Creditors: Amounts falling due after more than one year</b> | 8    |                    | (575,325)        |                   | (406,248)        |
| <b>Provisions for liabilities</b>                              |      |                    | <u>(163,705)</u> |                   | <u>(124,955)</u> |
| <b>Net assets</b>  |      |                    | <u>1,687,511</u> |                   | <u>1,203,020</u> |
| <b>Capital and reserves</b>                                    |      |                    |                  |                   |                  |
| Called up share capital  |      | 167                |                  | 167               |                  |
| Share premium reserve  |      | 699,933            |                  | 699,933           |                  |
| Profit and loss account  |      | <u>987,411</u>     |                  | <u>502,920</u>    |                  |
| <b>Total equity</b>  |      |                    | <u>1,687,511</u> |                   | <u>1,203,020</u> |

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 29/03/22 and signed on its behalf by:



.....  
 Mr N Edwards  
 Director

## Version 2 Lights Limited

### Statement of Changes in Equity for the Year Ended 31 March 2022

|                            | <b>Share capital</b> | <b>Share premium</b> | <b>Profit and loss account</b> | <b>Total</b>     |
|----------------------------|----------------------|----------------------|--------------------------------|------------------|
|                            | <b>£</b>             | <b>£</b>             | <b>£</b>                       | <b>£</b>         |
| At 1 April 2021            | 167                  | 699,933              | 502,920                        | 1,203,020        |
| Profit for the year        | -                    | -                    | 484,491                        | 484,491          |
| Total comprehensive income | -                    | -                    | 484,491                        | 484,491          |
| At 31 March 2022           | <u>167</u>           | <u>699,933</u>       | <u>987,411</u>                 | <u>1,687,511</u> |
|                            | <b>Share capital</b> | <b>Share premium</b> | <b>Profit and loss account</b> | <b>Total</b>     |
|                            | <b>£</b>             | <b>£</b>             | <b>£</b>                       | <b>£</b>         |
| At 1 April 2020            | 100                  | -                    | 327,894                        | 327,994          |
| Profit for the year        | -                    | -                    | 175,026                        | 175,026          |
| Total comprehensive income | -                    | -                    | 175,026                        | 175,026          |
| Share capital issued       | 67                   | 699,933              | -                              | 700,000          |
| At 31 March 2021           | <u>167</u>           | <u>699,933</u>       | <u>502,920</u>                 | <u>1,203,020</u> |



## Version 2 Lights Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Old Grain Store  
Childs Court Farm  
Ashampstead Common  
Reading  
Berkshire  
RG8 8QT

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

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 years presented, unless otherwise stated.

##### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

##### Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 reporting date and that are expected to apply to the reversal of the timing difference.

## Version 2 Lights Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class                        | Depreciation method and rate |
|------------------------------------|------------------------------|
| Short leasehold land and buildings | 10% straight line            |
| Hire assets                        | 12.5% straight line          |
| Plant and machinery                | 10% straight line            |
| Office and computer equipment      | 20% straight line            |

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## Version 2 Lights Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### Share capital

Ordinary shares are classified as equity.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### *Classification*

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

##### *Recognition and measurement*

Basic financial instruments are recognised at amortised cost.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2021 - 6).

### 4 Auditors' remuneration

|                                   | 2022         | Unaudited<br>2021 |
|-----------------------------------|--------------|-------------------|
|                                   | £            | £                 |
| Audit of the financial statements | <u>7,000</u> | <u>-</u>          |

## Version 2 Lights Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 5 Profit before tax

Arrived at after charging/(crediting)

|                      | 2022    | Unaudited<br>2021 |
|----------------------|---------|-------------------|
|                      | £       | £                 |
| Depreciation expense | 364,455 | 220,404           |

#### 6 Tangible assets

|                          | Short<br>leasehold<br>land and<br>buildings<br>£ | Hire assets<br>£ | Plant and<br>machinery<br>£ | Office and<br>computer<br>equipment<br>£ | Total<br>£ |
|--------------------------|--|------------------|-----------------------------|--|------------|
| <b>Cost or valuation</b> |  |                  |                             |  |            |
| At 1 April 2021          | 47,900   | 2,236,693        | 35,391                      | 21,952                                   | 2,341,936  |
| Additions                | 4,946  | 1,597,149        | 4,033                       | 45,277                                   | 1,651,405  |
| At 31 March 2022         | 52,846   | 3,833,842        | 39,424                      | 67,229                                   | 3,993,341  |
| <b>Depreciation</b>      |  |                  |                             |  |            |
| At 1 April 2021          | 6,387  | 478,172          | 6,065                       | 13,027                                   | 503,651    |
| Charge for the year      | 5,120  | 345,703          | 3,898                       | 9,734                                    | 364,455    |
| At 31 March 2022         | 11,507   | 823,875          | 9,963                       | 22,761                                   | 868,106    |
| <b>Carrying amount</b>   |  |                  |                             |  |            |
| At 31 March 2022         | 41,339   | 3,009,967        | 29,461                      | 44,468                                   | 3,125,235  |
| At 31 March 2021         | 41,513   | 1,758,521        | 29,326                      | 8,925                                    | 1,838,285  |

#### Restrictions on title and pledges as security

Tangible fixed assets with a carrying amount of £1,038,673 (2021- £655,360) have been pledged as security for the company's finance lease liabilities.

Tangible fixed assets with a carrying amount of £3,125,235 (2021- £1,838,285) have been pledged as security for the company's bank borrowings.

#### 7 Debtors

|               | 2022    | Unaudited<br>2021 |
|---------------|---------|-------------------|
|               | £       | £                 |
| Trade debtors | 166,063 | 251,599           |
| Prepayments   | 54,871  | 47,189            |
| Other debtors | -       | 350,000           |
|               | 220,934 | 648,788           |

## Version 2 Lights Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 8 Creditors

|                              | Note | 2022<br>£ | Unaudited<br>2021<br>£ |
|------------------------------|------|-----------|------------------------|
| <b>Due within one year</b>   |      |           |                        |
| Bank loans and overdrafts    | 9    | 298,118   | 196,267                |
| Trade creditors              |      | 169,523   | 112,936                |
| Taxation and social security |      | 36,859    | 20,141                 |
| Other creditors              |      | 569,658   | 451,190                |
| Accrued expenses             |      | 28,230    | 23,234                 |
|                              |      | 1,102,388 | 803,768                |
| <b>Due after one year</b>    |      |           |                        |
| Loans and borrowings         | 9    | 575,325   | 406,248                |

#### 9 Loans and borrowings

|   | 2022<br>£ | Unaudited<br>2021<br>£ |
|---|-----------|------------------------|
| <b>Non-current loans and borrowings</b> |           |                        |
| Bank borrowings                         | 110,833   | 145,834                |
| Finance lease liabilities               | 464,492   | 260,414                |
|   | 575,325   | 406,248                |

|                                     | 2022<br>£ | Unaudited<br>2021<br>£ |
|-------------------------------------|-----------|------------------------|
| <b>Current loans and borrowings</b> |           |                        |
| Bank borrowings                     | 35,000    | 29,166                 |
| Finance lease liabilities           | 263,118   | 167,101                |
|                                     | 298,118   | 196,267                |

The bank borrowings are secured on all assets of the company.

The finance lease liabilities are secured on the assets concerned.

#### 10 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £673,191 (2021 - £739,190).