

REGISTRAR OF COMPANIES

A & B GLASS COMPANY LIMITED
(Registered Number 1543721)

FINANCIAL STATEMENTS
30 APRIL 2001



MOORE GREEN
CHARTERED ACCOUNTANTS
SUDBURY SUFFOLK

A & B GLASS COMPANY LIMITED

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30 APRIL 2001

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A & B GLASS COMPANY LIMITED

COMPANY INFORMATION

Directors	R W Byford D F Barrett (appointed 29 June 2000)
Secretary	Mrs K M Byford
Company Number	1543721
Registered Office	Woodhall Business Park Sudbury Suffolk CO10 1WH
Auditors	Moore Green 22 Friars Street Sudbury Suffolk CO10 2AA
Business Address	Woodhall Business Park Sudbury Suffolk
Bankers	Lloyds TSB 30 Market Hill Sudbury Suffolk CO10 2EL
Solicitors	Bates Wells & Braithwaite 27 Friars Street Sudbury Suffolk CO10 2AD

A & B GLASS COMPANY LIMITED

DIRECTORS' REPORT YEAR ENDED 30 APRIL 2001

The directors present their report and the financial statements for the year ended 30 April 2001.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company is the manufacture and installation of UPVC windows, double glazed sealed units, patio doors and related products, including conservatories.

A trading subsidiary, Indigo Ross Design and Print Limited, provides design and printing services to the Company and third parties.

The directors are satisfied with the results for the year. Concentrated effort in both Trade and New Build sales and marketing have contributed to the improved results. The directors believe that the company's policy of continued efficiency improvements will support healthy profits.

RESULTS AND DIVIDENDS

The results for the year are set out on page 4.

The directors have paid an interim dividend amounting to £204,980 and they do not recommend payment of a final dividend.

FIXED ASSETS

Movements in fixed assets are set out in Note 11.

FUTURE DEVELOPMENTS

In April 2001 the company purchased an 88,000 square foot factory at Sudbury as part of its five year plan to offer a total trade product range whilst maintaining a separate New Build/Commercial division.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	<u>30 April 2001</u>	<u>1 May 2000</u>
R W Byford	74	74
D F Barrett (appointed 29 June 2000)	-	-
	<u> </u>	<u> </u>

A & B GLASS COMPANY LIMITED

**DIRECTORS' REPORT
YEAR ENDED 30 APRIL 2001**

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 proper accounting records which 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 1985. 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.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Moore Green be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 21 February 2002 and signed on its behalf by

Mrs K M Byford
Secretary

K M Byford

A & B GLASS COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 2001**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
TURNOVER	2	12,684,609	11,046,153
Cost of sales		(8,420,401)	(7,375,850)
GROSS PROFIT		4,264,208	3,670,303
Selling and distribution costs		(183,002)	(192,691)
Administrative expenses		(2,345,633)	(2,198,580)
OPERATING PROFIT	3	1,735,573	1,279,032
Investment income	4	-	10,000
Interest receivable and similar income	5	12,247	908
Interest payable and similar charges	6	(36,160)	(37,338)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,711,660	1,252,602
Tax on profit on ordinary activities	9	(508,391)	(411,753)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,203,269	840,849
Dividends	10	(204,980)	(660,000)
RETAINED PROFIT FOR THE YEAR		998,289	180,849
RETAINED PROFIT BROUGHT FORWARD		2,772,189	2,591,340
RETAINED PROFIT CARRIED FORWARD		3,770,478	2,772,189

There are no recognised gains or losses other than the profit or loss for the above two financial years.

A & B GLASS COMPANY LIMITED

**CASH FLOW STATEMENT
YEAR ENDED 30 APRIL 2001**

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating profit		1,735,573	1,279,032
Depreciation		298,309	286,280
(Increase) in stocks		(97,662)	(105,001)
(Increase) in debtors		(649,193)	(259,208)
Increase / increase in creditors		235,112	365,171
Net cash inflow from operating activities		<u>1,522,139</u>	<u>1,566,274</u>
CASH FLOW STATEMENT			
NET CASH INFLOW FROM OPERATING ACTIVITIES		1,522,139	1,566,274
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
	23	(23,913)	(27,047)
TAXATION	23	(382,403)	(439,441)
CAPITAL EXPENDITURE	23	(3,633,755)	(291,726)
		<u>(2,517,932)</u>	<u>808,060</u>
EQUITY DIVIDENDS PAID		(204,980)	(660,000)
		<u>(2,722,912)</u>	<u>148,060</u>
FINANCING	23	2,465,045	(100,305)
DECREASE IN CASH IN THE YEAR		<u>(257,867)</u>	<u>47,755</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 24)			
Decrease in cash in the year		(257,867)	47,755
Cash inflow from increase in debts and lease financing		(2,465,045)	100,305
Change in net debt resulting from cash flows		<u>(2,722,912)</u>	<u>148,060</u>
New finance leases		13,298	(73,566)
Net debt at 1 May 2000		<u>(447,777)</u>	<u>(522,271)</u>
Net debt at 30 April 2001		<u>(3,157,391)</u>	<u>(447,777)</u>

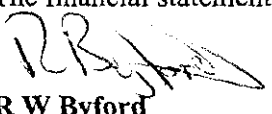
A & B GLASS COMPANY LIMITED

BALANCE SHEET

30 APRIL 2001

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
FIXED ASSETS			
Tangible assets	11	5,997,575	2,675,428
Investments	11	5,002	5,002
		<u>6,002,577</u>	<u>2,680,430</u>
CURRENT ASSETS			
Stocks	12	700,158	602,496
Debtors	13	2,529,516	1,880,323
Cash at bank and in hand		178,592	80,419
		<u>3,408,266</u>	<u>2,563,238</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	<u>(2,706,989)</u>	<u>(1,886,330)</u>
NET CURRENT ASSETS		<u>701,277</u>	<u>676,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,703,854</u>	<u>3,357,338</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15	(2,733,276)	(385,049)
PROVISION FOR LIABILITIES AND CHARGES	16	<u>(200,000)</u>	<u>(200,000)</u>
NET ASSETS		<u><u>3,770,578</u></u>	<u><u>2,772,289</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	74	74
Capital redemption reserve	18	26	26
Profit and loss account	18	3,770,478	2,772,189
Equity Shareholders' Funds	19	<u><u>3,770,578</u></u>	<u><u>2,772,289</u></u>

The financial statements were approved by the Board on 21 February 2002 and signed on its behalf by


R W Byford
 Director

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2001

1. ACCOUNTING POLICIES

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

1.2. Consolidated accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% Straight Line
Leasehold buildings	- 4% Straight Line
Building improvements	- 5% Straight Line
Plant and machinery	- 15% Reducing Balance
Office equipment	- 15% Reducing Balance
Motor vehicles	- 25% Reducing Balance
Computer equipment	- 20% Straight Line

Land is not depreciated

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

1.5. Stock and work in progress

(a) Raw materials

Raw materials are purchased both for direct sale to customers or for use in repair jobs for customers, and for incorporation in the manufacture of glazed units and are stated at the lower of cost and net realisable value. Cost represents the purchase price of materials acquired on a first-in, first-out basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

(b) Finished goods and work in progress

The manufacture of glazed units is undertaken to specific orders from both trade and domestic customers. Completed units have been valued at the contract price less a proportion estimated by the directors to reduce the contract value to cost. Incomplete units have been valued by a similar method with an additional allowance being made for the proportion of work not yet complete.

1.6. Retentions and remedial work

Retentions on contracts are brought to account as profit when the contract is completed and invoiced, although they do not become receivable until after the retention period, usually not more than twelve months. No provisions are made for warranty or remedial work and any such costs are written off as and when incurred.

1.7. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8. Investments

Fixed asset investments are stated at cost.

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

1.9. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. OPERATING PROFIT

	<u>2001</u>	<u>2000</u>
	£	£
Depreciation of tangible assets		
- Owned	248,968	256,049
- Leased	<u>42,957</u>	<u>20,055</u>
	291,925	276,104
Loss on disposal of tangible fixed assets	6,385	10,176
Operating lease rentals		
- Plant and machinery	110,112	121,745
- Land and buildings	37,862	33,955
Auditors' remuneration	12,000	10,000

4. INCOME FROM INVESTMENTS

	<u>2001</u>	<u>2000</u>
	£	£
Income from subsidiary undertakings	-	10,000

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2001</u>	<u>2000</u>
	£	£
Bank interest	<u>12,247</u>	<u>908</u>

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2001</u>	<u>2000</u>
	£	£
On bank overdraft	(498)	6,387
On loans repayable in five years or more	33,699	28,933
Hire purchase interest	2,959	2,018
	<u>36,160</u>	<u>37,338</u>

7. STAFF COSTS

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	<u>2001</u>	<u>2000</u>
Production and administration	<u>139</u>	<u>126</u>

Employment costs

	<u>2001</u>	<u>2000</u>
	£	£
Wages and salaries	2,618,471	2,208,241
Social security costs	247,652	211,629
Other pension costs	57,893	227,613
	<u>2,924,016</u>	<u>2,647,483</u>

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

7.1. DIRECTORS' EMOLUMENTS

	<u>2001</u>	<u>2000</u>
	£	£
Remuneration and other emoluments	234,122	77,304
Pension contributions	21,502	106,102
	<u>255,624</u>	<u>183,406</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	1	1
Highest Paid Director	£	£
Amounts included above:		
Emoluments and other benefits	<u>137,055</u>	<u>183,406</u>

8. PENSION COSTS

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £57,893 (2000 - £227,613).

9. TAXATION

	<u>2001</u>	<u>2000</u>
	£	£
UK current year taxation		
UK Corporation Tax at 30% (2000 - 30%)	512,000	361,753
Transfer to deferred taxation	-	50,000
	<u>512,000</u>	<u>411,753</u>
Prior years		
UK Corporation Tax	(3,609)	-
	<u>508,391</u>	<u>411,753</u>

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001

..... continued

10. DIVIDENDS

	<u>2001</u>	<u>2000</u>
	£	£
Dividends on equity shares:		
Ordinary shares - Interim paid	<u>204,980</u>	<u>660,000</u>

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Long leasehold land and buildings £	Building improve- ments £	Plant and machinery £	Office equipment £	Motor vehicles £	Computer equipment £	Total £
Cost								
At 1 May 2000	538,638	777,884	96,563	1,789,358	48,994	416,767	203,445	3,871,649
Additions	2,938,864	-	-	582,717	1,355	103,986	21,724	3,648,646
Disposals	-	-	-	-	-	(91,974)	-	(91,974)
At 30 April 2001	3,477,502	777,884	96,563	2,372,075	50,349	428,779	225,169	7,428,321
Depreciation								
At 1 May 2000	46,521	28,689	42,727	723,459	27,466	200,226	127,133	1,196,221
On disposals	-	-	-	-	-	(57,400)	-	(57,400)
Charge for the year	9,150	18,111	4,954	161,422	3,424	67,193	27,671	291,925
At 30 April 2001	55,671	46,800	47,681	884,881	30,890	210,019	154,804	1,430,746
Net book values								
At 30 April 2001	3,421,831	731,084	48,882	1,487,194	19,459	218,760	70,365	5,997,575
At 30 April 2000	492,117	749,195	53,836	1,065,899	21,528	216,541	76,312	2,675,428

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001

..... continued

- a) Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	<u>2001</u>	<u>2000</u>
	Net	Net
	<u>book value</u>	<u>book value</u>
	£	£
Plant and machinery	26,247	30,879
Motor vehicles	54,809	65,011
	<u>81,056</u>	<u>95,890</u>

- b) The basis of providing for depreciation is set out in Note 1.
- c) The estimated portion of the purchase cost relating to land is:

	<u>2001</u>	<u>2000</u>
	£	£
Freehold land and buildings	881,000	81,000
Long leasehold land and buildings	325,000	325,000

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001

..... continued

INVESTMENT IN SUBSIDIARIES

The company holds 20% or more of the share capital of the following companies:

<u>Company</u>	<u>Country of registration or incorporation</u>	<u>Shares held</u>		<u>Cost</u>
		<u>Class</u>	<u>%</u>	
Britannia Frames Limited (Dormant)	England and Wales	Ordinary	100%*	2
Indigo Ross Design and Print Limited	England and Wales	Ordinary	100%	5,000

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	<u>Capital and reserves</u>	<u>Profit for the year</u>
	<u>£</u>	<u>£</u>
Britannia Frames Limited (Dormant)	2	-
Indigo Ross Design and Print Limited	16,859	(2,059)

*50% of the shares of Britannia Frames Limited are held in the sole name of A & B Glass Company Limited, the remaining 50% are held jointly by A & B Glass Company Limited and Mr R W Byford, a director of A & B Glass Company Limited.

12. STOCKS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Raw materials and consumables	324,352	364,269
Work in progress	22,585	78,183
	<u>346,937</u>	<u>442,452</u>
Finished goods and goods for resale	353,221	160,044
	<u>700,158</u>	<u>602,496</u>

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001

..... continued

13. DEBTORS

	<u>2001</u>	<u>2000</u>
	£	£
Trade debtors	1,981,368	1,604,029
Other debtors	424,812	39,100
Prepayments and accrued income	123,336	237,194
	<u>2,529,516</u>	<u>1,880,323</u>

**14. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	<u>2001</u>	<u>2000</u>
	£	£
Bank overdraft (secured)	442,043	86,004
Mortgage (Note 15)	141,454	31,606
Net obligations under finance leases and hire purchase contracts	19,209	25,537
Trade creditors	1,430,212	1,130,951
Amounts owed to group undertaking	4,866	3,962
Corporation tax payable	382,341	256,353
Other taxes and social security costs	65,403	181,687
Directors' accounts	3,722	-
Accruals	217,739	170,230
	<u>2,706,989</u>	<u>1,886,330</u>

The bank overdraft is secured by a fixed and floating charge over all assets and undertaking of the Company.

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

**15. CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR**

	<u>2001</u>	<u>2000</u>
	£	£
Mortgages	2,723,276	356,007
Net obligations under finance leases and hire purchase contracts	10,000	29,042
	<u>2,733,276</u>	<u>385,049</u>
Mortgages		
Repayable in one year or less (Note 14)	141,454	31,606
Repayable between one and two years	152,057	34,144
Repayable between two and five years	1,528,040	119,784
Repayable in five years or more	1,043,179	202,079
	<u>2,864,730</u>	<u>387,613</u>

The Company's borrowings are secured over the Company's freehold and leasehold property.

Of the total borrowing, £1 million is to be repaid within a four year period at no fixed repayment with interest charged at 1.25% over Lloyds TSB Base rate.

A further £1.5 million is payable by 120 monthly instalments of £17,610.16 with interest also charged at 1.25% over base.

The balance due on the third mortgage is repayable by 95 monthly instalments of £5,148.74 with interest also charged at 1.25% over base.

**Net obligations under finance leases
and hire purchase contracts**

Repayable within one year	19,209	25,537
Repayable between one and five years	10,000	29,042
	<u>29,209</u>	<u>54,579</u>

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

16. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is analysed over the following timing differences:

	<u>Provided</u>	
	<u>2001</u>	<u>2000</u>
	£	£
Accelerated capital allowances	200,000	200,000
	<u>200,000</u>	<u>200,000</u>

Movements on the provision for deferred taxation are:

	<u>2001</u>	<u>2000</u>
	£	£
At 1 May 2000	200,000	150,000
Transferred from profit and loss account	-	50,000
At 30 April 2001	200,000	200,000
	<u>200,000</u>	<u>200,000</u>

17. SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
74 Ordinary shares of £1 each	74	74
	<u>74</u>	<u>74</u>

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

18. EQUITY RESERVES

	<u>Profit and loss account</u>	<u>Capital redemption reserve</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
At 1 May 2000	2,772,189	26	2,772,215
Retained profit for the year	998,289		998,289
At 30 April 2001	<u>3,770,478</u>	<u>26</u>	<u>3,770,504</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Profit for the year	1,203,269	840,849
Dividends	(204,980)	(660,000)
	<u>998,289</u>	<u>180,849</u>
Opening shareholders' funds	2,772,289	2,591,440
Closing shareholders' funds	<u>3,770,578</u>	<u>2,772,289</u>

20. FINANCIAL COMMITMENTS

At 30 April 2001 the company had annual commitments under non-cancellable operating leases as follows:

	<u>Land and buildings</u>		<u>Other</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Expiry date:				
Within one year	-	-	16,361	6,250
Between one and five years	-	-	48,595	29,602
In over five years	30,000	30,000	8,990	8,990
	<u>30,000</u>	<u>30,000</u>	<u>73,946</u>	<u>44,842</u>

21. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at 30 April 2001 (30 April 2000: Nil).

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

22. RELATED PARTY TRANSACTIONS

- (a) The Company is controlled by Mr R W Byford, a director and the sole shareholder.
- (b) The Company purchased goods totalling £69,611 (2000 : £46,220) from its subsidiary, Indigo Ross design and Print Limited.

At the year end, the Company owed Indigo Ross Design and Print Limited £4,560 (2000 : £1,258).

- (c) Mr R W Byford and his spouse hold all the issued share capital in Addison & Byford Limited.

During the year, the following transactions between Addison & Byford Limited and A & B Glass Company Limited took place:

- (i) Expenditure of £3,279 (£6,642) was met by A & B Glass Company Limited on behalf of Addison & Byford Limited and re invoiced to Addison & Byford Limited.
- (ii) Recharges for the services of employees £Nil (2000 : £Nil) and storage, handling and scrapping of £8,450 (2000 : £8,450) were made by Addison & Byford Limited.
- (iii) Sponsorship of £45,000 was paid to Addison & Byford Limited.

At the year end Addison & Byford Limited owed A & B Glass Company Limited £3,045 (2000 : £12,688 due from Addison & Byford Limited).

A & B GLASS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001**

..... continued

23. GROSS CASH FLOWS

	<u>2001</u>	<u>2000</u>
	£	£
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	12,247	823
Interest paid	(36,160)	(37,870)
Dividends received	-	10,000
	<u>(23,913)</u>	<u>(27,047)</u>
TAXATION		
Corporation tax paid	<u>(382,403)</u>	<u>(439,441)</u>
CAPITAL EXPENDITURE		
Payments to acquire tangible assets	(3,661,944)	(307,521)
Receipts from sales of tangible assets	28,189	15,795
	<u>(3,633,755)</u>	<u>(291,726)</u>
FINANCING		
Other new long term loans	2,500,000	-
Repayment of mortgage	(22,883)	(31,809)
Capital element of hire purchase contracts	(12,072)	(68,496)
	<u>2,465,045</u>	<u>(100,305)</u>

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2001

..... continued

24. ANALYSIS OF CHANGES IN NET FUNDS

	<u>Opening balance</u>	<u>Cash flows</u>	<u>Other changes</u>	<u>Closing balance</u>
	£	£	£	£
Cash at bank and in hand	80,419	98,173		178,592
Overdrafts	(86,004)	(356,039)		(442,043)
	<u>(5,585)</u>	<u>(257,866)</u>		<u>(263,451)</u>
Debt due within one year	(31,606)	22,883	(132,731)	(141,454)
Debt due after one year	(356,007)	(2,500,000)	132,731	(2,723,276)
Hire purchase commitments	(54,579)	12,072	13,298	(29,209)
	<u>(442,192)</u>	<u>(2,465,045)</u>	<u>13,298</u>	<u>(2,893,939)</u>
Net funds	<u>(447,777)</u>	<u>(2,722,911)</u>	<u>13,298</u>	<u>(3,157,390)</u>

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
A & B GLASS COMPANY LIMITED**

We have audited the financial statements on pages 4 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

22 Friars Street
Sudbury
Suffolk
CO10 2AA

21 February 2002



Moore Green
Chartered Accountants and
Registered Auditors