

A. & B. Glass Company Limited

FINANCIAL STATEMENTS

for the year ended

30 April 2006



Company Registration No. 1543721

A. & B. Glass Company Limited

DIRECTORS AND OFFICERS

DIRECTORS

RW Byford

D F Barrett

M J Byford

P A Byford

SECRETARY

KM Byford

COMPANY NUMBER

1543721 (England and Wales)

REGISTERED OFFICE

Addison Road

Chilton Industrial Estate

Sudbury

Suffolk

CO10 2YW

AUDITORS

Baker Tilly

Abbotsgate House

Hollow Road

Bury St Edmunds

Suffolk

IP32 7FA

A. & B. Glass Company Limited

DIRECTORS' REPORT

The directors present their report and financial statements of A. & B. Glass Company Limited for the year ended 30 April 2006.

PRINCIPAL ACTIVITIES

The group and company's main activity continues to be the manufacture and installation of PVC-U windows, doors and conservatories. Other company's in the group principal activities are helicopter leasing and as a property holding company.

REVIEW OF THE BUSINESS

The fall in trade in the year continued into the following year to 30 April 2007 but a considerable improvement is being experienced following concentrated marketing efforts to maintain and improve Trade and Retail sales whilst creating a complete new programme to develop both New Build and Commercial sales. During the year the company set up a conservatory show site. The directors believe that the company's policy of continued efficiency improvements will continue to rebuild healthy future profits.

Business environment

Environmental issues are becoming of increasing importance in the market place. The trade sector continues to be depressed but there is evidence of stabilisation in this area.

Strategy

The company intends to optimise its production capacity by concentrating on developing New Build and Commercial sales and acquisitions to gain market share. Maintaining a flexible production is regarded as paramount in satisfying the intended market.

Future Outlook

The trend towards consolidation is likely to continue with a continuing fall out of the very small businesses and supply only manufacturers. A trend towards other factors, e.g. environmental, service back up style etc having a more significant impact on the buying decision in the Retail Market is likely to continue.

Principle risks and uncertainties

A move towards buying on price on major Commercial and New Build contracts could lead to a reduction in quality of both the product and service which would ultimately impact on the end user and degrade the manufacturing and installation infrastructure.

Key performance indicators

Given the nature of the business and the rapid change within the company it is the opinion of the directors that key performance indicators would not assist in bringing about the required development, performance or position of the business.

EVENTS SINCE THE END OF THE YEAR

On 29 September 2006 the company purchased the business carried on under the trading name of Fineline for £1,375,000.

A. & B. Glass Company Limited

DIRECTORS' REPORT (CONTINUED)

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £3,011,051.

Ordinary dividends of £81,000 were paid in the year (2005 - £95,000). The directors do not recommend a final dividend.

DIRECTORS

The following directors have held office since 1 May 2005:

RW Byford
D F Barrett
M J Byford
P A Byford

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary of £ 1 each</i>	
	30.4.06	1.5.05
RW Byford	74	74
D F Barrett	-	-
M J Byford	-	-
P A Byford	-	-

AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the board



RW Byford
Director

23/02/07

A. & B. Glass Company Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A. & B. GLASS COMPANY LIMITED

We have audited the financial statements on pages 6 to 22.

This report is made solely to the company's member in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to him in an auditors' 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 member, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 of 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 April 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BAKER TILLY
Registered Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Baker Tilly

23.02.07

A. & B. Glass Company Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2006

	Notes	2006 £	2005 £
TURNOVER	1	10,717,093	12,391,847
Cost of sales		7,624,485	8,163,469
Gross profit		3,092,608	4,228,378
Other operating expenses	2	3,330,093	3,492,231
OPERATING (LOSS)/PROFIT		(237,485)	736,147
Profit on sale of property		3,258,047	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		3,020,562	736,147
Investment income	3	10,806	16,677
		3,031,368	752,824
Interest payable	4	56,195	201,494
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	2,975,173	551,330
Taxation	7	(35,878)	227,439
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,011,051	323,891

The operating (loss)/profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

A. & B. Glass Company Limited

BALANCE SHEET

30 April 2006

	Notes	2006 £	2005 £
FIXED ASSETS			
Tangible assets	9	4,774,365	5,715,148
Investments	10	1,000,006	1,000,006
		<u>5,774,371</u>	<u>6,715,154</u>
CURRENT ASSETS			
Stocks	11	482,423	473,474
Debtors	12	3,162,784	3,301,161
Cash at bank and in hand		496,966	218,817
		<u>4,142,173</u>	<u>3,993,452</u>
CREDITORS: Amounts falling due within one year	13	1,466,595	3,956,538
		<u>2,675,578</u>	<u>36,914</u>
NET CURRENT ASSETS			
		<u>8,449,949</u>	<u>6,752,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: Amounts falling due after more than one year	14	(133,221)	(1,357,504)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred tax liability	15	(389,525)	(397,412)
		<u>7,927,203</u>	<u>4,997,152</u>
CAPITAL AND RESERVES			
Called up share capital	16	74	74
Other reserves	17	26	26
Profit and loss account	17	7,927,103	4,997,052
		<u>7,927,203</u>	<u>4,997,152</u>
SHAREHOLDERS' FUNDS			
	18	<u>7,927,203</u>	<u>4,997,152</u>

The financial statements on pages 6 to 22 were approved by the board of directors and authorised for issue on 23/02/07 and are signed on its behalf by:

RW Byford



Director

A. & B. Glass Company Limited

CASH FLOW STATEMENT

for the year ended 30 April 2006

	<i>Notes</i>	2006 £	2005 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	19	672,332	938,239
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		10,806	16,677
Interest paid		(33,033)	(169,115)
Interest element of finance lease rentals		(23,162)	(32,379)
Net cash outflow for returns on investments and servicing of finance		(45,389)	(184,817)
TAXATION		(222,254)	(322,174)
CAPITAL EXPENDITURE			
Payments to acquire tangible assets		(236,939)	(211,875)
Receipts from sales of tangible assets		4,047,823	68,225
Net cash inflow for capital expenditure		3,810,884	(143,650)
Purchase of subsidiary undertakings		-	(1,000,002)
EQUITY DIVIDENDS PAID		(81,000)	(95,000)
New long term bank loan		-	750,000
Repayment of long term bank loan		(2,961,238)	(76,519)
Capital element of hire purchase contracts		(178,720)	(170,879)
INCREASE/(DECREASE) IN CASH IN THE YEAR		994,615	(304,802)

A. & B. Glass Company Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold land and investment properties at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Land and buildings Freehold	2% straight line and 5% straight line for building improvements
Land and buildings Long Leasehold	4% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance and 20% straight line
Motor vehicles	25% reducing balance

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK AND WORK IN PROGRESS

Stock and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

Raw materials

Raw materials are purchased for direct sale to customers, use in repair jobs for customers or 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.

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.

DEFERRED TAXATION

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxation profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A. & B. Glass Company Limited

ACCOUNTING POLICIES (CONTINUED)

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

PENSIONS CONTRIBUTIONS

The company operates a defined contribution scheme and contributes to a Directors' Executive Pension Scheme. The assets of these schemes are held separately from the company in independently administered funds. Pension costs are charged to the profit and loss account in the year in which they become payable.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

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.

CONSOLIDATION

The company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2006

1. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity wholly undertaken in the United Kingdom.

2. OTHER OPERATING EXPENSES

	2006 £	2005 £
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Administrative expenses	3,330,093	3,492,231
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3. INVESTMENT INCOME

	2006 £	2005 £
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Bank interest	10,806	16,677
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4. INTEREST PAYABLE

	2006 £	2005 £
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On bank loans and overdrafts	5,328	24,504
On loans repayable after 5 years	27,705	144,611
Lease finance charges and hire purchase interest	23,162	32,379
	56,195	201,494

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2006 £	2005 £
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Profit on ordinary activities before taxation is stated after charging/(crediting):

Depreciation of tangible assets:

Charge for the year:

owned assets	306,093	367,894
leased assets	118,174	143,019
Loss on disposals	-	16,419

Operating lease rentals:

Land and buildings	30,943	38,367
Auditors' remuneration	26,780	31,504

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

6. EMPLOYEES

The average monthly number of persons (including directors) employed by the company during the year was:	2006 No.	2005 No.
Production and administration	118	161
	£	£
Staff costs for the above persons:		
Wages and salaries	2,757,983	2,897,469
Social security costs	283,197	254,541
Other pension costs	95,734	104,527
	3,136,914	3,256,537

DIRECTORS' REMUNERATION

	2006 £	2005 £
Emoluments for qualifying services	575,853	276,335
Company pension contributions to money purchase schemes	75,000	65,059
	650,853	341,394

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2005- 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	382,171	131,583
Company pension contributions to money purchase schemes	25,000	65,069

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

7. TAXATION	2006 £	2005 £
Domestic current year tax		
U.K. corporation tax	(8,696)	224,241
Adjustment for prior years	(19,295)	2,786
	<u>(27,991)</u>	<u>227,027</u>
Current tax charge		
Deferred tax		
Origination and reversal of timing differences	(7,887)	412
	<u>(35,878)</u>	<u>227,439</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>2,975,173</u>	<u>551,330</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 30.00% (2005: 30.00%)	<u>892,552</u>	<u>165,399</u>
Effects of:		
Non deductible expenses	56,023	44,737
Capital allowances in excess of depreciation	21,498	13,716
Adjustments to previous periods	(19,295)	2,786
Rolled over gain	(977,516)	-
Other tax adjustments	(1,253)	389
	<u>(920,543)</u>	<u>61,628</u>
Current tax charge	<u>(27,991)</u>	<u>227,027</u>
8. DIVIDENDS	2006 £	2005 £
Ordinary:		
Interim paid - £1,094.59 (2005 - £1,283.78)	<u>81,000</u>	<u>95,000</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

9. TANGIBLE FIXED ASSETS

	<i>Land and buildings Freehold</i>	<i>Land and buildings Long Leasehold</i>	<i>Plant and machinery</i>	<i>Fixtures, fittings & equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£	£	£
Cost						
1 May 2005	3,049,362	777,884	3,547,041	338,062	540,891	8,253,240
Additions	50,000	60,000	4,725	11,647	98,644	225,016
Disposals	-	(837,384)	-	-	(55,917)	(893,301)
30 April 2006	3,099,362	500	3,551,766	349,709	583,618	7,584,955
Depreciation						
1 May 2005	189,915	119,261	1,781,332	189,341	258,243	2,538,092
Charge in the year	48,886	1,510	265,111	36,290	72,470	424,267
Disposals	-	(120,771)	-	-	(30,998)	(151,769)
30 April 2006	238,801	-	2,046,443	225,631	299,715	2,810,590
Net book value						
30 April 2006	2,860,561	500	1,505,323	124,078	283,903	4,774,365
30 April 2005	2,859,447	658,623	1,765,709	148,721	282,648	5,715,148

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

	<i>Plant and machinery</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£
Net book value			
30 April 2006	642,344	48,281	690,625
30 April 2005	755,699	16,202	771,901

The element of cost relating to land is estimated by the directors as £800,000 (2005: £800,000) for Freehold Land and £500 (2005: £325,000) for Leasehold Land.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

10. FIXED ASSET INVESTMENTS

	<i>Shares in group undertakings</i>
	£
Cost	
1 May 2005 and 30 April 2006	1,000,006

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

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

<i>Company</i>	<i>Country of registration or incorporation</i>	<i>Shares held</i>	
		<i>Class</i>	<i>%</i>
Subsidiary undertakings			
Britannia Frames Limited	England and Wales	Ordinary	100
Airfleet Aircraft Leasing Limited	England and Wales	Ordinary	100
Asset Manufacturing Limited	England and Wales	Ordinary	100
A & B Glass Properties Limited	England and Wales	Ordinary	100

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

	<i>Capital and reserves</i>	<i>Profit/(loss) for the year</i>
	£	£
Britannia Frames Limited	2	-
Airfleet Aircraft Leasing Limited	(209,937)	(11,924)
Asset Manufacturing Limited	1,498,596	716,628
A & B Glass Properties Limited	44,046	38,026

On 26 September 2006 the company purchased the business carried on under the name of Finline for £1,375,000.

11. STOCKS AND WORK IN PROGRESS

	2006	2005
	£	£
Raw materials and consumables	332,519	272,364
Work in progress	46,851	71,935
Finished goods and goods for resale	103,053	129,175
	482,423	473,474

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

12. DEBTORS	2006 £	2005 £
Trade debtors	1,693,726	1,996,304
Amounts owed by subsidiary undertakings	1,218,351	1,190,357
Other debtors	140,777	19,318
Prepayments and accrued income	109,930	95,182
	<u>3,162,784</u>	<u>3,301,161</u>

Amounts falling due after more than one year and included in the debtors above are:

	2006 £	2005 £
Amounts owed by group undertakings	<u>928,155</u>	<u>1,035,911</u>

13. CREDITORS: Amounts falling due within one year	2006 £	2005 £
Bank overdraft	-	716,466
Bank loans	-	1,885,124
Obligations under finance lease and hire purchase contracts	185,207	179,940
Trade creditors	627,816	560,679
Amounts owed to group undertakings	-	4
Corporation tax	-	127,745
Other taxes and social security costs	361,329	281,736
Other creditors	10,310	9,604
Accruals and deferred income	281,933	195,240
	<u>1,466,595</u>	<u>3,956,538</u>

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

Obligations under finance leases are secured on the underlying assets.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

14. CREDITORS: Amounts falling due in more than one year	2006 £	2005 £
Bank loans	-	1,076,114
Obligations under finance leases and hire purchase agreements	133,221	281,390
	<u>133,221</u>	<u>1,357,504</u>
Loans		
Wholly repayable within five years	-	2,961,238
Included in current liabilities	-	(1,885,124)
	<u>-</u>	<u>1,076,114</u>
Loan maturity analysis:		
In more than one year but not more than two years	-	164,876
In more than two years but not more than five years	-	673,140
In more than five years	-	238,098
	<u>-</u>	<u>1,076,114</u>

The mortgages were secured on the company's freehold and leasehold land and buildings.

Obligations under finance leases and hire purchase contracts are secured on the underlying assets.

	2006 £	2005 £
Obligations under finance leases and hire purchase contracts:		
Repayable within one year	185,207	179,940
Repayable between two and five years	133,221	281,390
	<u>318,428</u>	<u>461,330</u>
	318,428	461,330
Included in current liabilities	(185,207)	(179,940)
	<u>133,221</u>	<u>281,390</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

15. PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Deferred taxation £</i>
Balance at 1 May 2005	397,412
Transfer to profit and loss account	(7,887)
	<u>389,525</u>
Balance at 30 April 2006	<u>389,525</u>

Deferred taxation provided in the financial statements is as follows:

	2006 £	2005 £
Excess of tax allowances over depreciation	391,798	400,938
Other timing differences	(2,273)	(3,526)
	<u>389,525</u>	<u>397,412</u>

The company has not provided for deferred tax on the rolled over gain on the sale of the property during the year. The related deferred tax liability that would arise if the gain was crystallised is £65,870.

16. SHARE CAPITAL

	2006 £	2005 £
Authorised:		
100 Ordinary of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
74 Ordinary of £1 each	<u>74</u>	<u>74</u>

17. STATEMENT OF MOVEMENT ON RESERVES

	<i>Other reserves (see below) £</i>	<i>Profit and loss account £</i>
1 May 2005	26	4,997,052
Retained profit for the year	-	2,930,051
	<u>26</u>	<u>7,927,103</u>
30 April 2006	<u>26</u>	<u>7,927,103</u>
Other reserves		
Capital redemption reserve		
Balance at 1 May 2005 & at 30 April 2006	<u>26</u>	

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2006 £	2005 £
<i>Profit for the financial year</i>	3,011,051	323,891
<i>Dividends</i>	(81,000)	(95,000)
<i>Net addition to shareholders' funds</i>	2,930,051	228,891
<i>Opening shareholders' funds</i>	4,997,152	4,768,261
<i>Closing shareholders' funds</i>	<u>7,927,203</u>	<u>4,997,152</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 30 April 2006

19. CASH FLOWS		2006	2005	
		£	£	
a. Reconciliation of operating (loss)/profit to net cash inflow from operating activities				
Operating (loss)/profit		(237,485)	736,147	
Depreciation of tangible assets		424,267	510,913	
Loss on disposal of tangible assets		-	16,419	
Increase in stocks		(8,949)	55,963	
Decrease/(increase) in debtors		260,374	(110,960)	
Increase in creditors within one year		234,125	(270,243)	
Net cash inflow from operating activities		<u>672,332</u>	<u>938,239</u>	
b. Analysis of net funds/(debt)	1 May 2005	Cash flow	Other non-cash changes	30 April 2006
	£	£	£	£
Net cash:				
Cash at bank and in hand	218,817	278,149	-	496,966
Bank overdrafts	(716,466)	716,466	-	-
	<u>(497,649)</u>	<u>994,615</u>	<u>-</u>	<u>496,966</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(461,330)	179,223	(36,321)	(318,428)
Debts falling due within one year	(1,885,124)	1,885,124	-	-
Debts falling due after one year	(1,076,114)	1,076,114	-	-
Net (debt)/funds	<u>(3,920,217)</u>	<u>4,135,076</u>	<u>(36,321)</u>	<u>178,538</u>
c. Reconciliation of net cash flow to movement in net debt		2006	2005	
		£	£	
Increase/(decrease) in cash in the year		994,615	(304,802)	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		3,140,461	(502,602)	
Change in net debt resulting from cash flows		<u>4,135,076</u>	<u>(807,404)</u>	
New finance lease		(36,321)	(100,000)	
Movement in net funds/(debt) in the year		<u>4,098,755</u>	<u>(907,404)</u>	
Opening net debt		(3,920,217)	(3,012,813)	
Closing net funds/(debt)		<u>178,538</u>	<u>(3,920,217)</u>	

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

20. CAPITAL COMMITMENTS	2006 £	2005 £
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Capital expenditure contracted for but not provided in the financial statements	<u>10,750</u>	<u>17,576</u>
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21. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2006 the company had annual commitments under non-cancellable operating leases as follows:

	2006 £	2005 £
Land and buildings expiring after five years	17,500	17,500
Plant and machinery expiring in the first year	9,724	12,268
expiring in the second to fifth year	<u>21,817</u>	<u>41,481</u>
	<u>49,041</u>	<u>71,249</u>

22. PENSION COMMITMENTS

DEFINED CONTRIBUTION

	2006 £	2005 £
Contributions payable by the company for the year	<u>95,734</u>	<u>76,685</u>

23. CONTROL

During the year, and the previous year, the company was under the control of Mr RW Byford, a director and the sole shareholder.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 April 2006

24. RELATED PARTY TRANSACTIONS

At 30 April 2006 the company was owed the following amounts by related parties:

A & B Glass Properties Limited (subsidiary company) £720,105 (2005: £786,763)

Asset Manufacturing Limited (subsidiary company) £205,098 (2005: £84,446)

Airfleet Aircraft Leasing Limited (subsidiary company) £293,148 (2005: £319,148)

An amount of £200,000 has previously been written off the balance owed by Airfleet Aircraft Leasing Limited and a further £50,000 has been written off this year.

The following transactions occurred during the year with related parties:

Sales to Asset Manufacturing Limited of £996,519 (2005: £80,090).

Purchases from Asset Manufacturing Limited £6,887 (2005: None).

Rent paid to A & B Glass Executive Pension Scheme (RW Byford, director, is a beneficiary of the scheme) of £17,500 (2005: £17,500).

Sales to Addison and Byford Limited (a company controlled by RW Byford) of £47,180 (2005: £50,413)

Purchases from Addison & Byford Limited of £52,113 (2005: £21,772).

There were no other material transactions with related parties during the year.