

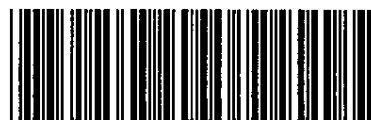
A. & B. Glass Company Limited

FINANCIAL STATEMENTS

for the year ended

30 April 2008

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COMPANIES HOUSE

Company Registration No. 1543721

A. & B. Glass Company Limited

COMPANY INFORMATION

DIRECTORS	RW Byford D F Barrett M J Byford PA Byford
SECRETARY	KM Byford
COMPANY NUMBER	1543721
REGISTERED OFFICE	Addison Road Chilton Industrial Estate Sudbury Suffolk CO10 2YW
AUDITOR	Baker Tilly UK Audit LLP Abbotsgate House Hollow Road Bury St Edmunds Suffolk IP32 7FA

A. & B. Glass Company Limited

DIRECTORS' REPORT

For the year ended 30 April 2008

The directors present their report and financial statements of A. & B. Glass Company Limited for the year ended 30 April 2008.

PRINCIPAL ACTIVITIES

The company's main activity continues to be the manufacture and installation of PVC-U windows, doors and conservatories.

REVIEW OF THE BUSINESS

The company continues to trade under difficult conditions. On 5th October 2007 the company purchased the issued share capital of Coastal Windows Ltd, a company based in Poole, which supplies the trade sector of the industry. There being spare production capacity throughout the Group, the decision was taken to cease manufacturing at Asset Manufacturing Ltd. and transfer production to Sudbury. The factory in Thetford closed in February 2008.

On 30th April 2008 the trade of both Asset Manufacturing Ltd and Coastal Windows Ltd were transferred to A. & B. Glass Company Ltd. They will continue as trading divisions within the parent company.

There are few economic indicators to suggest an improvement in the market place and the trend towards consolidation of small traders and supply only manufacturers is continuing. The directors are mindful of the business opportunities afforded by this.

BUSINESS ENVIRONMENT

Environmental issues are becoming of increasing importance in the market place.

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.

PRINCIPAL 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 understanding about the required development, performance or position of the business.

A. & B. Glass Company Limited

DIRECTORS' REPORT (CONTINUED)

For the year ended 30 April 2008

RESULTS AND DIVIDENDS

The results for the year are set out on page 6.

Ordinary dividends of £Nil were paid in the year (2007 - £11,000). The directors do not recommend a final dividend.

The hive up of the trades of its subsidiary companies Asset Manufacturing Limited and Coastal Windows Ltd on 30th April 2008, will result in the company receiving dividends of £1,565,473 from them. There will be a corresponding reduction in the carrying value of investments on the balance sheet of the same amount. The impact on the balance sheet is that it will improve the net current asset position by £1,565,473.

DIRECTORS

The following directors have held office since 1 May 2007:

RW Byford
D F Barrett
M J Byford
PA Byford

CHARITABLE DONATIONS	2008 £	2007 £
During the year the company made the following payments:		
Charitable donations	900	-

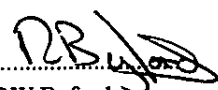
AUDITORS

The auditors, Baker Tilly UK Audit LLP, has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, 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
19/2/09

A. & B. Glass Company Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible 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). The financial statements are required by law to 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.

A. & B. Glass Company Limited

INDEPENDENT AUDITOR'S REPORT

To The Member Of A. & B. Glass Company Limited

We have audited the financial statements on pages 6 to 26.

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 the member 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, 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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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.

A. & B. Glass Company Limited
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
To The Member Of A. & B. Glass Company Limited

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 2008 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Chartered Accountants
REGISTERED AUDITOR
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

23.02.09.

A. & B. Glass Company Limited

PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2008

	Notes	2008 £	2007 £
TURNOVER	1	18,842,109	16,083,645
Cost of sales		(14,031,982)	(11,724,884)
GROSS PROFIT		4,810,127	4,358,761
Other operating expenses (net)		(4,617,398)	(4,053,154)
OPERATING PROFIT		192,729	305,607
Cost of fundamental reorganisation		-	(256,986)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		192,729	48,621
Investment income	2	6,427	32,865
Interest payable and similar charges	3	(126,006)	(77,810)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	73,150	3,676
Taxation	7	114,060	(2,861)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	19	187,210	815

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

A. & B. Glass Company Limited

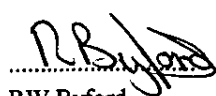
BALANCE SHEET

As at 30 April 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Intangible assets	9	1,147,098	155,787
Tangible assets	10	5,603,853	5,060,962
Investments	11	1,565,479	1,000,006
		<u>8,316,430</u>	<u>6,216,755</u>
CURRENT ASSETS			
Stocks	12	1,939,798	1,068,275
Debtors: amounts falling due within one year	13	6,598,117	4,173,011
Debtors: amounts falling due after more than one year	13	597,603	635,105
Cash at bank and in hand		57,203	2,383
		<u>9,192,721</u>	<u>5,878,774</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	<u>(7,511,392)</u>	<u>(2,346,227)</u>
NET CURRENT ASSETS		<u>1,681,329</u>	<u>3,532,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,997,759</u>	<u>9,749,302</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15	<u>(1,386,322)</u>	<u>(1,451,142)</u>
PROVISIONS FOR LIABILITIES AND CHARGES	16	<u>(507,209)</u>	<u>(381,142)</u>
NET ASSETS		<u><u>8,104,228</u></u>	<u><u>7,917,018</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	74	74
Other reserves	19	26	26
Profit and loss account	19	8,104,128	7,916,918
SHAREHOLDER'S FUNDS	20	<u><u>8,104,228</u></u>	<u><u>7,917,018</u></u>

The financial statements on pages 6 to 26 were approved by the board of directors and authorised for issue on

19/2/09 and are signed on its behalf by:



RW Byford
DIRECTOR

A. & B. Glass Company Limited

CASH FLOW STATEMENT

For the year ended 30 April 2008

	Notes	2008 £	2007 £
Net cash inflow from operating activities	27	829,938	177,991
Returns on investments and servicing of finance	26.1	(119,579)	(44,945)
Taxation		30,000	(30,000)
Capital expenditure and financial investment	26.2	545,381	(188,697)
Acquisitions and disposals	26.3	(1,546,690)	(1,698,843)
Equity dividends paid		-	(11,000)
NET CASH OUTFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		(1,287,534)	(1,795,494)
Financing	26.4	(109,964)	1,276,000
DECREASE IN CASH IN THE YEAR	28, 29	(1,397,498)	(519,494)

A. & B. Glass Company Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

GOODWILL

Goodwill, representing the excess of the purchase price compared with the fair value of assets acquired, it is capitalised and written off over 5 years in respect of Fineline trade, and over 20 years in respect of Coastal Windows trade, as in the opinion of the directors this represents the period over which the goodwill is effective.

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 assets in the course of construction at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Land and buildings Freehold	2% straight line and 5% straight line for building improvements
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 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 value, net of Value Added Tax, of goods sold and services provided to customers.

RETENTIONS

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.

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 2008

1 TURNOVER

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

2 INVESTMENT INCOME

	2008 £	2007 £
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Bank interest	6,427	32,865
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3 INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
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On bank loans and overdrafts	18,961	10,940
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On loans repayable after five years	98,008	51,502
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Hire purchase interest	9,037	15,368
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	126,006	77,810
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4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2008 £	2007 £
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Profit is stated after charging:

Amortisation of intangible assets	35,273	20,576
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Depreciation of tangible assets	481,853	477,713
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Loss on disposal of tangible assets	31,738	17,387
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Operating lease rentals	208,963	160,545
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Auditor's remuneration	18,650	18,400
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5 DIRECTORS' EMOLUMENTS

	2008 £	2007 £
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Emoluments	281,436	266,377
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Company pension contributions to money purchase schemes	52,000	63,000
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	333,436	329,377
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The number of directors for whom retirement benefits are accruing under money purchase scheme was:

	3	3
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Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments	123,703	118,248
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Company pension contributions to money purchase schemes	-	65,069
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A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

6 EMPLOYEES

NUMBER OF EMPLOYEES

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Production and administration	164	150

EMPLOYMENT COSTS

	2008 £	2007 £
Wages and salaries	3,639,992	3,203,965
Social security costs	361,367	283,197
Other pension costs	327,566	311,375
	4,328,925	3,798,537

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

7	TAXATION	2008 £	2007 £
	UK Corporation tax		
	Current tax on profit of the period	19,225	11,244
	Adjustment for prior years	(11,244)	-
	CURRENT TAX (CREDIT)/CHARGE	7,981	11,244
	DEFERRED TAX		
	Origination and reversal of timing differences	(122,041)	(8,383)
	Tax on profit on ordinary activities	(114,060)	2,861
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	The tax assessed for the year is lower than the standard rate of corporation tax (30%) as explained below:		
	Profit on ordinary activities before taxation	73,150	3,676
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2007 - 19.00%)	21,945	698
	Effects of:		
	Non deductible expenses	15,407	13,265
	Depreciation in advance of capital allowances	35,707	(3,118)
	Group relief	(50,772)	-
	Capital gain	-	88
	Adjustments to previous periods	(11,244)	-
	Small companies relief	(2,927)	-
	Other tax adjustments	(135)	311
	CURRENT TAX (CREDIT)/CHARGE	7,981	11,244

In the year ended 30 April 2006 the company sold land at a profit of £3,258,047. No provision for tax in relation to this sale was provided, as rollover relief was claimed, as in the directors opinion all of the proceeds would be re-invested into qualifying assets within the qualifying period. The qualifying period for re-investment of the proceeds expired in June 2008 and discussions with HM Revenue & Customs are ongoing in this respect. A potential tax liability of £419,305 has arisen since the year end, dependent on these discussions, as all proceeds had not been re-invested by June 2008.

The tax effect of the cost of fundamental reorganisation in the year ended 30 April 2007 was a tax credit of £48,827.

8	DIVIDENDS	2008 £	2007 £
	Ordinary:		
	Interim paid - Nil (2007 - £148.65) per share	-	11,000

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

9 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 May 2007	176,363
Additions (note 11)	1,026,584
At 30 April 2008	1,202,947
AMORTISATION	
At 1 May 2007	20,576
Charge for the year	35,273
At 30 April 2008	55,849
NET BOOK VALUE	
At 30 April 2008	1,147,098
At 30 April 2007	155,787

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

10 TANGIBLE FIXED ASSETS

	Land and buildings Freehold	Assets in the course of construction	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
COST						
At 1 May 2007	3,124,184	-	3,914,542	525,661	709,070	8,273,457
Transfer from subsidiaries	69,011	113,276	891,390	55,208	318,343	1,447,228
Additions	150,256	-	332,294	7,102	86,157	575,809
Disposals	(64,122)	-	(113,945)	-	(91,839)	(269,906)
At 30 April 2008	3,279,329	113,276	5,024,281	587,971	1,021,731	10,026,588
DEPRECIATION						
At 1 May 2007	289,160	-	2,314,945	275,738	332,651	3,212,494
Transfer from subsidiaries	14,026	-	654,390	33,644	169,890	871,950
On disposals	(2,711)	-	(75,654)	-	(65,197)	(143,562)
Charge for the year	49,423	-	263,912	58,861	109,657	481,853
At 30 April 2008	349,898	-	3,157,593	368,243	547,001	4,422,735
NET BOOK VALUE						
At 30 April 2008	2,929,431	113,276	1,866,688	219,728	474,730	5,603,853
At 30 April 2007	2,835,024	-	1,599,596	249,923	376,419	5,060,962

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

	Plant and machinery £	Motor vehicles £	Total £
NET BOOK VALUES			
At 30 April 2008	160,434	20,323	180,757
At 30 April 2007	188,745	36,210	224,955
DEPRECIATION CHARGE FOR THE YEAR			
At 30 April 2008	28,332	6,774	35,106
At 30 April 2007	33,308	12,070	45,378

The element of cost relating to land is estimated by the directors as £800,000 (2007: £800,000) for Freehold land.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

11 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £
COST	
At 1 May 2007	1,000,006
Additions	2,400,000
Distribution	(800,000)
Transfer to goodwill	(1,026,584)
At 30 April 2008	1,573,422
PROVISIONS FOR DIMINUTION IN VALUE	
At 1 May 2007	-
Charge for the year	7,943
At 30 April 2008	7,943
NET BOOK VALUE	
At 30 April 2008	1,565,479
At 30 April 2007	1,000,006

Holdings of more than 20%

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

COMPANY	Country of registration or incorporation	Shares held Class	%
SUBSIDIARY UNDERTAKINGS			
Britannia Frames Limited	England and Wales	Ordinary	100.00
Airfleet Aircraft Leasing Limited	England and Wales	Ordinary	100.00
Asset Manufacturing Limited	England and Wales	Ordinary	100.00
A & B Glass Properties Limited	England and Wales	Ordinary	100.00
Coastal Windows Limited	England and Wales	Ordinary	100.00
Coastal Limited	England and Wales	Ordinary	100.00

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

11 FIXED ASSET INVESTMENTS (Continued)

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

		Capital and reserves 2008 £	Profit for the year 2008 £
	Principal activity		
Britannia Frames Limited	Dormant	2	-
Airfleet Aircraft Leasing Limited	Dormant	-	-
Asset Manufacturing Limited	Manufacture and installation of PVC-U windows and doors	992,057	(401,846)
A & B Glass Properties Limited	Letting of property	128,935	42,507
Coastal Windows Limited	Manufacture and installation of PVC-U windows and doors	573,416	457,859
Coastal Limited	Dormant	2	-

Airfleet Aircraft Leasing Limited was dissolved on 5 February 2008. Britannia Frames Limited was dissolved on 28 August 2008.

The distribution above relates to a dividend received from Coastal Windows Limited the day after acquisition. This related to the surplus cash acquired with business. Normal accounting procedures under Schedule 4 of the Companies Act 1985 would require the dividend of £800,000 to be shown in the profit and loss account and a corresponding impairment of the investment. In these financial statements no entries appear in the financial statements in respect of the dividend as the directors consider the treatment adopted best reflects the substance of the transaction and that conventional treatment referred to above would lead to unnecessary confusion in terms of the financial statements showing a true and fair view.

Following the hive up of trade, assets and liabilities of Coastal Windows Limited an amount of £1,026,584 has been transferred from investments to goodwill. This amount represents the difference between the cost of the investment less the net assets of the Coastal Windows Limited at the date of hive up adjusted for any impairment in value that may be required.

12 STOCKS AND WORK IN PROGRESS	2008 £	2007 £
Raw materials and consumables	1,307,870	919,117
Work in progress	232,371	33,592
Finished goods and goods for resale	399,557	115,566
	<u>1,939,798</u>	<u>1,068,275</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

13 DEBTORS	2008 £	2007 £
Trade debtors	6,097,386	3,046,944
Amounts owed by subsidiary undertakings	606,478	1,260,802
Corporation tax	-	18,756
Other debtors	179,279	247,327
Prepayments and accrued income	312,577	234,287
	<u>7,195,720</u>	<u>4,808,116</u>

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

	2008 £	2007 £
Amounts owed by group undertakings	<u>597,603</u>	<u>635,105</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2008 £	2007 £
Bank loans and overdrafts	1,537,133	84,422
Net obligations under hire purchase contracts	38,238	83,775
Trade creditors	2,779,716	1,093,634
Amounts owed to subsidiary undertakings	1,565,473	-
Corporation tax	184,997	-
Other taxes and social security costs	421,672	360,513
Other creditors	315,659	326,184
Accruals and deferred income	668,504	397,699
	<u>7,511,392</u>	<u>2,346,227</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 2008

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2008 £	2007 £
Bank loans	1,340,027	1,401,506
Net obligations under hire purchase contracts	46,295	49,636
	<u>1,386,322</u>	<u>1,451,142</u>
 ANALYSIS OF LOANS		
Wholly repayable within five years	1,399,931	1,461,017
	<u>1,399,931</u>	<u>1,461,017</u>
Included in current liabilities	(59,904)	(59,511)
	<u>1,340,027</u>	<u>1,401,506</u>
 LOAN MATURITY ANALYSIS		
In more than one year but not more than two years	59,904	59,904
In more than two years but not more than five years	179,712	179,712
In more than five years	<u>1,100,411</u>	<u>1,161,890</u>

The bank loan is secured by way of an unlimited debenture and secured on the company's freehold land and buildings. The bank loan is repayable over 15 years and interest is payable at a rate of 1.25% above Base Rate.

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

NET OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Repayable within one year	38,238	83,775
Repayable between one and five years	46,295	49,636
	<u>84,533</u>	<u>133,411</u>
Included in liabilities falling due within one year	(38,238)	(83,775)
	<u>46,295</u>	<u>49,636</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

16 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred tax liability £	Warranty provision £	Total £
Balance at 1 May 2007	381,142	-	381,142
Profit and loss account	(122,041)	-	(122,041)
Transfer from subsidiary companies	53,108	195,000	248,108
Balance at 30 April 2008	<u>312,209</u>	<u>195,000</u>	<u>507,209</u>

THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS:

	2008 £	2007 £
Accelerated capital allowances	<u>312,209</u>	<u>381,142</u>

The company has not provided for deferred tax on the rolled over gain on the sale of the property during a prior year. The related deferred tax liability that would arise if the gain was crystallised is £419,305.

17 PENSION COSTS

DEFINED CONTRIBUTION

	2008 £	2007 £
Contributions payable by the company for the year	<u>327,566</u>	<u>311,375</u>

18 SHARE CAPITAL

	2008 £	2007 £
AUTHORISED		
100 Ordinary of £1 each	<u>100</u>	<u>100</u>
ALLOTTED, CALLED UP AND FULLY PAID		
74 Ordinary of £1 each	<u>74</u>	<u>74</u>
EQUITY SHARES		
74 Ordinary of £1 each	<u>74</u>	<u>74</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

19 RESERVES

	Other reserves (see below)	Profit and loss account
	£	£
Balance at 1 May 2007	26	7,916,918
Profit for the year	-	187,210
Balance at 30 April 2008	26	8,104,128

OTHER RESERVES

CAPITAL REDEMPTION RESERVE

Balance at 1 May 2007 & at 30 April 2008

26

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2008 £	2007 £
Profit for the financial year	187,210	815
Dividends	-	(11,000)
Net addition to/(depletion in) shareholder's funds	187,210	(10,185)
Opening shareholders' funds	7,917,018	7,927,203
Closing shareholder's funds	8,104,228	7,917,018

21 FINANCIAL COMMITMENTS

At 30 April 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2009:

	Land and buildings		Other	
	2008	2007	2008	2007
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	-	9,803
Between two and five years	-	-	-	7,876
In over five years	350,000	17,500	-	-
	350,000	17,500	-	17,679

Included within financial commitments are annual lease commitments of £262,500 and £70,000 transferred from the subsidiary companies, Coastal Windows Limited and Asset Manufacturing Limited, as part of the hive up of trade as at the year end.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

22	CAPITAL COMMITMENTS	2008	2007
		£	£

At 30 April 2008 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	155,710	43,403
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At the year end the company had capital commitments in respect of contracts entered into of €308,400 (£155,710) which have not been provided for in the financial statements.

23 TRANSACTIONS WITH DIRECTORS

The following director had an unsecured interest free loan during the year. The movement on these loans are as follows:

	Amount outstanding		Maximum in year
	2008	2007	
	£	£	£
RW Byford	62,330	-	62,330

The loan has since been repaid in full.

24 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 2008

25 RELATED PARTY TRANSACTIONS

At 30 April 2008 the company was owed the following amounts by related parties:

A & B Glass Properties Limited (subsidiary company) £606,478 (2007: £685,105).
Z Speed (a business in which R Byford is a controlling party) £58,750 (2007: £Nil).

At 30 April 2008 the company owed the following amounts to related parties:

Asset Manufacturing Limited (subsidiary company) £992,057 (2007: £(575,697)).
Coastal Windows Limited (subsidiary company) £573,416 (2007: £Nil).
Addison & Byford Limited (a company controlled by RW Byford) £235,559.

The following transactions occurred during the year with related parties:

Sales to Asset Manufacturing Limited of £1,222,472 (2007: £507,993).
Purchases from Asset Manufacturing Limited £1,813,492 (2007: £570,954).
Management charge payable by Asset Manufacturing Limited of £195,000 (2007: £196,500).
Sales to Coastal Windows Limited of £79,095 (2007: £Nil).
Purchases from Coastal Windows Limited £81,607 (2007: £Nil).
Management charge payable by Coastal Windows Limited (subsidiary company) £70,000 (2007: £Nil).
Rent paid to A & B Glass Executive Pension Scheme (RW Byford, director, is a beneficiary of the scheme) of £17,500 (2007: £17,500).
Sales to Addison and Byford Limited (a company controlled by RW Byford) of £57,522 (2007: £31,042).
Purchases from Addison & Byford Limited of £167,632 (2007: £77,139).
Dividends of £Nil (£11,000) were paid to RW Byford.

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

On the 30 April 2008 A. & B. Glass Company Limited hived up the trade from Asset Manufacturing Limited and Coastal Windows Limited which resulted in the following:

	Asset Manufacturing Limited £	Coastal Windows Limited £	Total £
Net assets acquired:			
Tangible fixed assets	193,438	381,840	575,278
Stock	452,023	293,213	745,236
Debtors	1,810,791	1,361,978	3,172,769
Bank	26,502	26,808	53,310
Creditors	(746,228)	(1,150,003)	(1,896,231)
Provisions	(35,881)	(212,227)	(248,108)
	<u>1,700,645</u>	<u>701,609</u>	<u>2,402,254</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

26 CASH FLOWS

26.1 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2008 £	2007 £
Interest received	6,427	32,865
Interest paid	(116,969)	(62,442)
Interest element of hire purchase	(9,037)	(15,368)
	<u>(119,579)</u>	<u>(44,945)</u>

26.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2008 £	2007 £
Payments to acquire tangible assets	(575,809)	(248,181)
Receipts from sales of tangible assets	94,606	59,484
	<u>(481,203)</u>	<u>(188,697)</u>

26.3 ACQUISITIONS AND DISPOSALS

	2008 £	2007 £
Purchase of subsidiary undertakings/unincorporated business	(1,600,000)	(1,441,857)
Transfer of cash at bank and in hand on hive up from subsidiary companies	53,310	-
Cost of fundamental reorganisation	-	(256,986)
	<u>(1,546,690)</u>	<u>(1,698,843)</u>

	2008 £	2007 £
Purchase of subsidiary undertaking/unincorporated business		
Net assets acquired:		
Tangible fixed assets	-	593,000
Stock	-	390,295
Trade debtors	-	1,386,719
Trade creditors	-	(1,104,520)
Share capital	1,600,000	-
	<u>1,600,000</u>	<u>1,265,494</u>
Goodwill	-	176,363
	<u>1,600,000</u>	<u>1,441,857</u>
Discharged by:		
Cash paid	1,600,000	1,441,857
	<u>1,600,000</u>	<u>1,441,857</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

26 CASH FLOWS (Continued)

26.4 FINANCING	2008 £	2007 £
New long term bank loan	-	1,461,017
Repayment of long term bank loan	(61,086)	-
Capital element of hire purchase contracts	(48,878)	(185,017)
	<u>(109,964)</u>	<u>1,276,000</u>

27 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2008 £	2007 £
Operating profit	192,729	305,607
Depreciation of tangible assets	481,853	477,713
Amortisation of intangible assets	35,273	20,576
Loss on disposal of tangible assets	31,738	17,387
Impairment of investment	7,943	-
Increase in stocks	(126,287)	(195,557)
Increase in debtors	(94,837)	(239,857)
Increase in creditors	301,526	(207,878)
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>829,938</u>	<u>177,991</u>

28 ANALYSIS OF NET DEBT	1 May 2007 £	Cash flow £	Other non-cash changes £	30 April 2008 £
Net cash:				
Cash at bank and in hand	2,383	54,820	-	57,203
Bank overdrafts	(24,911)	(1,452,318)	-	(1,477,229)
	<u>(22,528)</u>	<u>(1,397,498)</u>	<u>-</u>	<u>(1,420,026)</u>
Debt:				
Finance leases	(133,411)	48,878	-	(84,533)
Debts falling due within one year	(59,511)	(393)	-	(59,904)
Debts falling due after one year	(1,401,506)	61,479	-	(1,340,027)
	<u>(1,594,428)</u>	<u>109,964</u>	<u>-</u>	<u>(1,484,464)</u>
NET DEBT	<u>(1,616,956)</u>	<u>(1,287,534)</u>	<u>-</u>	<u>(2,904,490)</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2008

29 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT	2008	2007
	£	£
Decrease in cash in the year	(1,397,498)	(519,494)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	109,964	(1,276,000)
MOVEMENT IN NET DEBT IN THE YEAR	(1,287,534)	(1,795,494)
Opening net (debt)/funds	(1,616,956)	178,538
CLOSING NET DEBT	(2,904,490)	(1,616,956)