

A. & B. Glass Company Limited

Report and consolidated Financial Statements

Year Ended

30 April 2011

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Company Registration Number 1543721

A. & B. GLASS COMPANY LIMITED

Annual report and financial statements for the year ended 30 April 2011

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Directors

R W Byford
D F Barrett
M J Byford
P A Byford

Secretary

K M 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

Report of the directors for the year ended 30 April 2011

The directors present their report and group financial statements of A & B Glass Company Limited for the year ended 30 April 2011

Principal activities

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

Review of the business

Following on from the 2010 Report of the directors, the challenges faced by both the UK economy and the window industry continued during the year. However, rationalisation together with continued focus on costs and margins means the Directors are pleased to report profits before tax up by over 25% from the previous year.

Business environment

The year 2011/12 will be tough for both the industry and the economy. The company has suffered increased bad debts throughout the last trading year and these are likely to continue despite more rigorous credit control.

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 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

The directors have considered the principal risks and uncertainties during the coming year, many of which are driven by factors which cannot be controlled or which are difficult to predict.

The key business risks affecting the group are considered to be

- The UK economy continues to be the dominant risk factor to the performance of the business in the next year
- The increase in VAT in January 2011 will have a long term effect on Retail and Trade sales
- The Budget cuts have yet to be seen but are likely to affect the commercial sector

The directors will closely monitor the impact of these risk factors and will take swift and decisive strategic action should the need arise.

A. & B. GLASS COMPANY LIMITED

Report of the directors for the year ended 30 April 2011 (*Continued*)

Key performance indicators

The directors consider that the key financial indicators of the business are turnover, gross profit, operating profit and bank loans and overdraft

The indicators and comparisons with 2010 may be summarised as follows

	2011 £000s	2010 £000s
Turnover	39,229	38,513
Gross Profit	11,435	12,635
Operating Profit	1,223	1,637
Bank loans & overdraft	3,162	3,660

Results and dividends

The results for the group for the year are set out on page 7

No dividends were paid in the current or prior year

Employee involvement and disabled persons

The group is an equal opportunity employer and is committed to ensuring no employee or applicant is treated less favourably on grounds of age, race, religion, gender, ethnic origin, disability or sexual orientation

The group continues to support the employment of disabled persons, wherever practicable, and to ensure that they share in the training, career development and promotion opportunities available to all employees

Directors

The following directors have held office since 1 May 2010

R W Byford
D F Barrett
M J Byford
P A Byford

Charitable donations

	2011 £	2010 £
During the year the group made the following payments		
Charitable donations	<u>730</u>	<u>2,070</u>

Auditor

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

A. & B. GLASS COMPANY LIMITED

Report of the directors for the year ended 30 April 2011 (*Continued*)

Statement as to disclosure of information to auditor

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 auditor is 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


R W Byford
Director

27 January 2012

A. & B. GLASS COMPANY LIMITED

Directors' responsibilities in the preparation of financial statements

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent,
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and 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 group and parent company financial statements on pages 7 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 April 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



PETER HOWARD (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Abbotsgate House

Hollow Road, Bury St Edmunds

Suffolk, IP32 7FA

27 January 2012

A. & B. GLASS COMPANY LIMITED**Consolidated profit and loss account for the year ended 30 April 2011**

	Note	2011 £	2010 £
Turnover	2	39,229,345	38,513,196
Cost of sales	3	(27,793,858)	(25,877,807)
Gross profit		11,435,487	12,635,389
Other operating expenses	3	(10,212,006)	(10,998,624)
Operating profit		1,223,481	1,636,765
Restructuring of continuing operations	4	(96,669)	(703,143)
Investment income	5	127	1,000
Interest payable	6	(172,539)	(176,964)
Profit on ordinary activities before taxation	7	954,400	757,658
Taxation	10	(536,086)	(278,822)
Profit for the financial year after taxation	21, 22	418,314	478,836

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

There was no material difference between the historical cost profit and the profit on ordinary activities

The notes on pages 11 to 27 form part of these financial statements

A. & B. GLASS COMPANY LIMITED

Consolidated balance sheet at 30 April 2011

Company registration number. 1543721

	Note	2011 £	£	2010 £	£
Fixed assets					
Intangible assets	11	1,990,869		2,143,109	
Tangible assets	12	8,086,173		8,415,054	
		<u>10,077,042</u>		<u>10,558,163</u>	
Current assets					
Stocks	14	1,586,420		1,758,085	
Debtors	15	7,743,425		8,886,554	
Cash at bank and in hand		273,559		390,876	
		<u>9,603,404</u>		<u>11,035,515</u>	
Creditors: amounts falling due within one year	16	<u>(6,548,554)</u>		<u>(7,859,371)</u>	
Net current assets		<u>3,054,850</u>		<u>3,176,144</u>	
Total assets less current liabilities		<u>13,131,892</u>		<u>13,734,307</u>	
Creditors: amounts falling due after more than one year	17	(3,142,608)		(3,942,739)	
Provision for liabilities	18	(441,993)		(662,591)	
Net assets		<u>9,547,291</u>		<u>9,128,977</u>	
Capital and reserves					
Called up share capital	20	74		74	
Other reserve	21	26		26	
Profit and loss account	21	9,547,191		9,128,877	
Shareholder's funds	22	<u>9,547,291</u>		<u>9,128,977</u>	

The notes on pages 11 to 27 form part of these financial statements

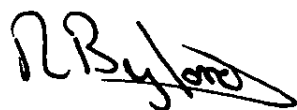
A. & B. GLASS COMPANY LIMITED

Company balance sheet at 30 April 2011

Company registration number: 1543721

	Note	2011 £	2010 £
Fixed assets			
Intangible assets	11	887,292	973,894
Tangible assets	12	5,432,314	5,586,054
Investments	13	1,448,869	1,524,869
		<u>7,768,475</u>	<u>8,084,817</u>
Current assets			
Stocks	14	1,100,383	1,324,085
Debtors	15	6,296,991	7,462,804
Cash at bank and in hand		217,643	396,626
		<u>7,615,017</u>	<u>9,183,515</u>
Creditors: amounts falling due within one year	16	<u>(5,088,270)</u>	<u>(5,890,372)</u>
Net current assets		<u>2,526,747</u>	<u>3,293,143</u>
Total assets less current liabilities		<u>10,295,222</u>	<u>11,377,960</u>
Creditors: amounts falling due after more than one year	17	(1,660,589)	(2,273,739)
Provision for liabilities	18	(387,092)	(605,595)
Net assets		<u>8,247,541</u>	<u>8,498,626</u>
Capital and reserves			
Called up share capital	20	74	74
Other reserves	21	26	26
Profit and loss account	21	8,247,441	8,498,526
Shareholder's funds	22	<u>8,247,541</u>	<u>8,498,626</u>

The financial statements on pages 7 to 27 were approved by the Board of directors and authorised for issue on 27 January 2012 and are signed on its behalf by



R W Byford
Director

The notes on pages 11 to 27 form part of these financial statements

A. & B. GLASS COMPANY LIMITED

Consolidated cash flow statement for the year ended 30 April 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Net cash flow from operating activities	27		1,780,963		1,988,005
Returns on investments and servicing of finance					
Interest received		127		1,000	
Interest paid		(139,390)		(142,166)	
Hire purchase interest paid		(33,149)		(34,798)	
Net cash outflow from returns on investments and servicing of finance			(172,412)		(175,964)
Taxation					
Corporation tax paid			(160,604)		(448,138)
Capital expenditure and financial investment					
Purchase of fixed assets		(593,222)		(438,531)	
Sale of fixed assets		158,418		19,823	
Net cash outflow from capital expenditure and financial investment			(434,804)		(418,708)
Acquisitions and disposals					
Purchase of subsidiary undertaking		-		(1,448,864)	
Net overdraft acquired with subsidiary		-		(374,000)	
			-		(1,822,864)
Cash inflow/(outflow) before financing			1,013,143		(877,669)
Financing					
Capital element of hire purchase payments	28	(203,753)		(307,225)	
Loans (repaid)/advanced	28	(614,929)		1,276,540	
Net cash (outflow)/inflow from financing			(818,682)		969,315
Increase in cash in year	28		194,461		91,646

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011

1 Accounting policies

Basis of Accounting

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

Basis of consolidation

The consolidated financial statements incorporate those of A & B Glass Company Limited and all of its subsidiaries. Subsidiaries are consolidated using the acquisition method. Their results are incorporated from the date that control passes. The difference between the cost of acquisition of shares in subsidiaries and the fair value of net assets acquired is capitalised as purchased goodwill and amortised through the profit and loss account. As permitted by s408 of the Companies Act 2006, the company has not presented its own profit and loss account.

Going concern

The directors consider it appropriate to prepare the accounts on a going concern basis, as there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the group to continue as a going concern.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and/or services in the ordinary nature of the business. Turnover is recognised when goods have been delivered and, where applicable, installed.

Goodwill

Goodwill, representing the excess of the purchase price compared with the fair value of assets acquired, is capitalised and written off over 5 years in respect of the Fineline trade, and over 20 years in respect of the trade of John Fredericks Plastics Limited, Coastal Windows Limited and Asset Manufacturing Limited as, in the opinion of the directors, these represent the periods over which the goodwill will be effective.

Tangible fixed assets and depreciation

Fixed assets are stated at historical cost less depreciation and any provision for impairment.

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

Freehold buildings	2% - 4% straight line
Freehold buildings improvements	5% straight line
Plant and machinery	10% straight line and 15 - 25% reducing balance
Fixtures, fittings and equipment	15% reducing balance and 20% straight line
Motor vehicles	25% reducing balance

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

1 Accounting policies (*Continued*)

Investment properties

Investment properties are revalued annually by the directors and included in the balance sheet at their open market value and are not depreciated. This is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the group, in accordance with SSAP 19 "Accounting for Investment Properties"

Surpluses and subsequent deficits on revaluations are taken to a non-distributable revaluation reserve, except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account. If a property is sold, the difference between sales proceeds and balance sheet value is treated as a profit or loss in the current year's profit and loss account, and the previous revaluation surplus or deficit is reclassified to distributable reserves.

Hire purchase commitments

Where assets are financed by hire purchase agreements the assets are treated as if they had been purchased outright. The corresponding hire purchase commitments are shown as net obligations under the hire purchase contracts.

Hire purchase 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.

Investments

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

Stocks and work in progress

Stocks 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 in completion and disposal. Provision is made for obsolete and slow-moving items.

Retirement benefits

The group 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.

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, which is usually not more than twelve months.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

1 Accounting policies (*Continued*)

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 group and company's taxable 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.

Warranty provision

Provision is made for liabilities arising in respect of expected warranty claims on warranties provided in conjunction with the sale of goods. The provision is based on expected costs to be incurred over the next 10 years based on previous warranty claims.

2 Turnover

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

3 Cost of sales and net operating expenses

The total figures for continuing operations in 2010 include the following amounts relating to acquisitions: cost of sales £5,055,000 and other operating expenses £3,013,000.

4 Exceptional items reported after operating profit

Severance payments and redundancy costs of £96,669 (2010: £703,143) were made to employees as a result of the restructuring of the group. The restructuring took place following the acquisition of John Fredericks Plastics Limited by A. & B. Glass Company Limited in the prior period.

The corporation tax charge for the year has been reduced by £22,493 (2010: £196,880) in respect of these exceptional items.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

5 Investment income	2011	2010
	£	£
Bank interest	<u>127</u>	<u>1,000</u>
6 Interest payable	2011	2010
	£	£
On bank loans and overdrafts	101,444	77,745
On loans repayable after five years	37,946	64,421
Hire purchase interest	33,149	34,798
	<u>172,539</u>	<u>176,964</u>
7 Profit on ordinary activities before taxation	2011	2010
	£	£
Profit is stated after charging		
Amortisation of intangible assets	152,240	133,305
Depreciation of tangible assets – owned	590,751	577,995
Depreciation of tangible assets – held under hire purchase contracts	155,566	150,774
Loss on disposal of tangible assets	17,368	2,808
Operating lease rentals – other	601,996	624,924
Auditor's remuneration		
- statutory audit of parent and consolidated accounts	19,125	20,500
- audit of subsidiaries	15,000	18,320
<i>Other services relating to taxation</i>		
- Compliance services	8,200	8,150
- Advisory services	49,026	-
Other services	1,920	10,203
8 Directors' emoluments	2011	2010
	£	£
Emoluments	287,268	322,654
Group pension contributions to money purchase schemes	69,000	52,000
	<u>356,268</u>	<u>374,654</u>
The number of directors for whom retirement benefits are accruing under the money purchase scheme was:	<u>3</u>	<u>3</u>
Emoluments disclosed above include the following amounts paid to the highest paid director		
Emoluments	<u>139,351</u>	<u>149,426</u>

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

9 Employees

Number of employees

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

	2011 No.	2010 No
Production and administration	<u>385</u>	<u>377</u>

Employment costs

	2011 £	2010 £
Wages and salaries	8,796,855	8,594,761
Social security costs	855,098	884,617
Other pension costs	125,819	107,471
Redundancy and compensation for loss of office	96,669	703,143
	<u>9,874,441</u>	<u>10,289,992</u>

A. & B. GLASS COMPANY LIMITEDNotes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)**10 Taxation**

	2011 £	2010 £
UK Corporation tax		
Current tax on profit of the period	362,346	286,914
Adjustment for prior years	218,291	(119,778)
Current tax charge	580,637	167,136
Deferred tax		
Origination and reversal of timing differences	(44,551)	(2,649)
Adjustments for prior years	-	114,335
Tax on profit on ordinary activities	536,086	278,822
Factors affecting the tax charge for the year		
The tax assessed for the year is different to that calculated at the standard rate of corporation tax as explained below		
Profit on ordinary activities before taxation	954,400	757,658
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.0% (2010 - 28.0%)	267,232	212,144
Effects of:		
Non deductible expenses	28,150	746,889
Depreciation in advance of capital allowances	76,603	96,825
Non-taxable income	-	(765,000)
Adjustments to previous periods	218,291	(119,778)
Small companies relief	(9,408)	(3,944)
Tax charged at different rates	(231)	-
	313,405	(45,008)
Current tax charge	580,637	167,136

In the year ended 30 April 2009 the group sold a property at a profit of £752,894. No provision was made for tax in relation to the sale, 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 group was unable to re-invest all the proceeds in the qualifying period and a chargeable gain of £212,889 arose during the current year. During the prior year an extension to the rollover relief qualifying period was agreed with HMRC, in relation to a separate capital disposal, and a refund of £88,778 was received.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (Continued)

11 Intangible fixed assets

Group	Goodwill £
<i>Cost</i>	
At 1 May 2010 and at 30 April 2011	2,515,708
<i>Amortisation</i>	
At 1 May 2010	372,599
Charge for the year	152,240
At 30 April 2011	524,839
<i>Net book value</i>	
At 30 April 2011	1,990,869
At 30 April 2010	2,143,109
Company	Goodwill £
<i>Cost</i>	
At 1 May 2010 and at 30 April 2011	1,202,947
<i>Amortisation</i>	
At 1 May 2010	229,053
Charge for the year	86,602
At 30 April 2011	315,655
<i>Net book value</i>	
At 30 April 2011	887,292
At 30 April 2010	973,894

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

12 Tangible fixed assets

Group	Freehold land and buildings £	Investment properties £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>						
At 1 May 2010	6,258,034	254,000	7,524,582	1,048,635	1,204,550	16,289,801
Additions	7,912	443,385	56,002	5,328	80,595	593,222
Disposals	-	-	(798,920)	-	(115,564)	(914,484)
At 30 April 2011	6,265,946	697,385	6,781,664	1,053,963	1,169,581	15,968,539
<i>Depreciation</i>						
At 1 May 2010	653,951	-	5,587,051	832,641	801,104	7,874,747
On disposals	-	-	(650,154)	-	(88,544)	(738,698)
Charge for the year	149,094	-	394,298	81,760	121,165	746,317
At 30 April 2011	803,045	-	5,331,195	914,401	833,725	7,882,366
<i>Net book value</i>						
At 30 April 2011	5,462,901	697,385	1,450,469	139,562	335,856	8,086,173
At 30 April 2010	5,604,083	254,000	1,937,531	215,994	403,446	8,415,054

The investment properties brought forward and the additions are included at cost which the directors believe represents the market value of these assets. Accordingly there is no difference between the carrying value and the historical cost amount.

Included above are assets held under hire purchase contracts as follows.

	Plant and machinery £	Motor vehicles £	Total £
<i>Net book values</i>			
At 30 April 2011	381,499	52,388	433,887
At 30 April 2010	628,276	133,605	761,881
<i>Depreciation charge for the year</i>			
At 30 April 2011	118,257	37,309	155,566
At 30 April 2010	113,457	37,317	150,774

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

12 Tangible fixed assets (*continued*)

Company	Freehold Land and buildings £	Investment properties £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>						
At 1 May 2010	4,027,034	-	5,133,582	469,635	939,550	10,569,801
Additions	7,912	443,385	5,176	-	50,105	506,578
Disposals	-	-	(798,919)	-	(115,564)	(914,483)
At 30 April 2011	4,034,946	443,385	4,339,839	469,635	874,091	10,161,896
<i>Depreciation</i>						
At 1 May 2010	463,951	-	3,591,051	283,641	645,104	4,983,747
On disposals	-	-	(650,154)	-	(88,543)	(738,697)
Charge for the year	72,982	-	263,947	65,277	82,326	484,532
At 30 April 2011	536,933	-	3,204,844	348,918	638,887	4,729,582
<i>Net book value</i>						
At 30 April 2011	3,498,013	443,385	1,134,995	120,717	235,204	5,432,314
At 30 April 2010	3,563,083	-	1,542,531	185,994	294,446	5,586,054

The investment properties are included at cost which the directors believe represents the market value of these assets. Accordingly there is no difference between the carrying value and the historical cost amount.

Included above are assets held under hire purchase contracts as follows

	Plant and machinery £	Motor vehicles £	Total £
<i>Net book values</i>			
At 30 April 2011	270,199	14,499	284,698
At 30 April 2010	376,117	30,764	406,881
<i>Depreciation charge for the year</i>			
At 30 April 2011	47,682	4,833	52,515
At 30 April 2010	66,374	10,254	76,628

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

13 Fixed assets investments

Company	Shares in subsidiary undertakings £
<i>Cost</i>	
At 1 May 2010 and at 30 April 2011	<u>3,022,284</u>
<i>Provisions for diminution in value</i>	
At 1 May 2010	1,497,415
Charge for the year	<u>76,000</u>
At 30 April 2011	<u>1,573,415</u>
<i>Net book value</i>	
At 30 April 2011	<u>1,448,869</u>
At 30 April 2010	<u>1,524,869</u>

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

Company	Country of registration or incorporation	Shares held Class	%
<i>Subsidiary undertakings</i>			
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
John Fredericks Plastics Limited	England and Wales	Ordinary	100.00
Hamsard 5033 Limited *	England and Wales	Ordinary	100.00
Hallco 622 Limited *	England and Wales	Ordinary	100.00
Profileboost Limited *	England and Wales	Ordinary	100.00
S & J Marketing Limited *	England and Wales	Ordinary	100.00
John Fredericks Commercial Limited *	England and Wales	Ordinary	100.00
Hallco 622 Employee Benefit Trustee Limited*	England and Wales	Ordinary	100.00

The principal activity of John Fredericks Plastics Limited is that of the manufacture and distribution of double glazed UPVC doors, windows and conservatories. All other the other subsidiary undertakings listed above have not traded throughout the year.

* These companies are subsidiaries of John Fredericks Plastics Limited and were dissolved on 21 June 2011.

A. & B. GLASS COMPANY LIMITEDNotes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)**14 Stocks and work in progress**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Raw materials	1,010,438	1,482,695	732,027	1,237,695
Work in progress	140,455	138,390	64,471	86,390
Finished goods and goods for resale	435,527	137,000	303,885	-
	<u>1,586,420</u>	<u>1,758,085</u>	<u>1,100,383</u>	<u>1,324,085</u>

15 Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	7,117,706	8,328,024	5,703,947	6,973,024
Amounts owed by related undertaking (note 26)	228,695	253,198	228,695	253,198
Amounts owed by subsidiary undertakings	-	-	43,577	23,988
Other debtors	30,749	80,049	30,752	38,311
Prepayments and accrued income	366,275	225,283	290,020	174,283
	<u>7,743,425</u>	<u>8,886,554</u>	<u>6,296,991</u>	<u>7,462,804</u>

Included in amounts owed by related undertakings is an amount of £225,000 (2010 £250,000) which is due after more than one year

A. & B. GLASS COMPANY LIMITEDNotes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)**16 Creditors: amounts falling due within one year**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdraft	673,740	994,709	595,961	907,709
Other loan	428,571	428,571	428,571	428,571
Net obligations under hire purchase contracts	200,865	210,225	89,073	103,225
Trade creditors	3,340,180	3,821,909	2,340,171	2,754,909
Amounts owed to subsidiary undertakings	-	-	541,431	76,001
Corporation tax	581,209	161,176	268,965	1,176
Other taxes and social security costs	491,676	810,663	239,164	506,663
Other creditors	38,622	39,358	38,622	39,358
Accruals and deferred income	793,691	1,392,760	546,312	1,072,760
	<u>6,548,554</u>	<u>7,859,371</u>	<u>5,088,270</u>	<u>5,890,372</u>

The bank overdraft is secured by a fixed and floating charge over all assets and undertakings of A & B Glass Company Limited. Obligations under hire purchase contracts are secured on the underlying assets.

A 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.

The group is party to a global counter indemnity in favour of Yorkshire Bank in respect of performance bonds, guarantees and indemnities issued on behalf of the group. There is a first legal charge over the land and buildings at the North East of Lindley Moor Road, Huddersfield. The bank loan incurs interest at 3.84125% per annum. There is a first legal charge over the properties at 5 and 7 Acton Flat Lane, Huddersfield. There is a corporate guarantee for all sums.

The Other loan is secured by way of an unlimited debenture secured on the company's freehold land and buildings. The loan is repayable over 4 years and interest is payable at 2.5% above Base Rate.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

17 Creditors: amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loan	2,488,194	2,665,361	1,024,874	1,127,361
Net obligations under hire purchase contracts	118,699	313,092	100,000	182,092
Other loan	535,715	964,286	535,715	964,286
	<u>3,142,608</u>	<u>3,942,739</u>	<u>1,660,589</u>	<u>2,273,739</u>

Details of the security, loan repayments and interest on the above liabilities are disclosed in Note 16

Bank and other loan maturity analysis

In more than one year but not more than two years	614,052	618,022	531,052	531,022
In more than two years but not more than five years	807,083	1,104,080	517,083	843,080
In more than five years	1,602,774	1,907,545	512,454	717,545
	<u>3,023,909</u>	<u>3,629,647</u>	<u>1,560,589</u>	<u>2,091,647</u>

Net obligations under hire purchase contracts

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Repayable within one year	200,865	210,225	89,073	103,225
Repayable between two and five years	118,699	313,092	100,000	182,092
	<u>319,564</u>	<u>523,317</u>	<u>189,073</u>	<u>285,317</u>

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

18 Provisions for liabilities and charges

	← Deferred tax liability £	Group Warranty provision £	→ Total £	← Deferred tax liability £	Company Warranty provision £	→ Total £
Balance at 1 May 2010	304,800	357,791	662,591	279,800	325,795	605,595
Release of provision	-	(176,047)	(176,047)	-	(175,795)	(175,795)
Transfer to profit and loss account	(44,551)	-	(44,551)	(42,708)	-	(42,708)
At 30 April 2011	260,249	181,744	441,993	237,092	150,000	387,092

The warranty provision relates to the potential cost to the group under a 10 year warranty on group products. The provision is based on expected costs to be incurred over the next 10 years based on previous warranty claims.

The deferred tax liability relates to accelerated capital allowances.

19 Pension costs

Defined contribution	2011 £	2010 £
Contributions payable by the group for the year	125,819	107,471

20 Share capital

	2011 £	2010 £
<i>Authorised</i>		
100 Ordinary of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
74 Ordinary of £1 each	74	74
<i>Equity shares</i>		
74 Ordinary of £1 each	74	74

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

21 Reserves

	Group £	Company £
Capital redemption reserve		
At 1 May 2010 and at 30 April 2011	26	26
Profit and loss account		
At 1 May 2010	9,128,877	8,498,526
Profit/(loss) for the year	418,314	(251,085)
At 30 April 2011	9,547,191	8,247,441

22 Reconciliation of movements in shareholder's funds

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Profit/(loss) for the year	418,314	478,836	(251,085)	155,501
Opening shareholder's funds	9,128,977	8,650,141	8,498,626	8,343,125
Closing shareholder's funds	9,547,291	9,128,977	8,247,541	8,498,626

23 Financial commitments

Group and Company

At 30 April 2011 the group and company were committed to making the following annual payments under non-cancellable operating leases in the year to 30 April 2011

	Group and Company Land and buildings		Group Other	
	2011 £	2010 £	2011 £	2010 £
Operating leases which expire				
Within one year	62,500	-	16,973	21,000
Between two and five years	364,230	-	90,732	302,000
In over five years	15,000	292,000	-	-

24 Capital commitments

Group and Company

At 30 April 2011 the group and company had capital commitments as follows

	2011 £	2010 £
Contracted for but not provided in the financial statements	72,051	-

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

25 Control

During the year, and the previous year, the company and group were under the control of Mr R W Byford, a director and the sole shareholder

26 Related party transactions

At 30 April 2011 the group was owed the following amounts by related parties

- Z Speed (a business in which R W Byford is a controlling party) £Nil (2010 £1,171)
- Addison & Byford Limited (a company controlled by R W Byford) £228,695 (2010 £252,027)

The following transactions occurred during the year with related parties

- Rent paid to A & B Glass Executive Pension Scheme (R W Byford, director, is a trustee and beneficiary of the scheme) of £32,500 (2010 £32,500) At the year end the company had prepaid the rent by £1,250 (2010. £Nil)
- Sales to Addison & Byford Limited of £43,078 (2010 £52,750).
- Purchases from Addison & Byford Limited of £15,260 (2010 £392,878)
- Sales to Z Speed of £2,501 (2010 £7,390)
- Purchases from Z Speed of £6,707 (2010 £4,561)
- Sales to R W Byford of £21,604 (2010 £Nil)

The company has taken advantage of exemptions available under FRS8 from the disclosure of transactions with group companies where consolidated accounts have been prepared

27 Reconciliation of operating profit to net cash inflow from operating activities

	2011 £	2010 £
Operating profit	1,223,481	1,636,765
Exceptional costs	(96,669)	(703,143)
Depreciation	746,317	728,769
Amortisation	152,240	133,305
Loss on sale of fixed assets	17,368	2,808
(Increase)/decrease in stocks	171,665	(11,890)
Decrease in debtors	1,143,129	166,848
(Decrease)/increase in creditors	(1,400,521)	163,880
Decrease in provisions	(176,047)	(129,337)
Net cash inflow from operating activities	<u>1,780,963</u>	<u>1,988,005</u>

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2011 (*Continued*)

28 Analysis of net debt

	At 1 May 2010 £	Cashflow £	Non-cash movements £	At 30 April 2011 £
Cash at bank and in hand	390,876	(117,317)	-	273,559
Overdraft	(805,255)	311,778	-	(493,477)
	<u>(414,379)</u>	<u>194,461</u>	<u>-</u>	<u>(219,918)</u>
Debt due within one year	(618,025)	614,929	(605,738)	(608,834)
Debt due after one year	(3,629,647)	-	605,738	(3,023,909)
Hire purchase	(523,317)	203,753	-	(319,564)
	<u>(5,185,368)</u>	<u>1,013,143</u>	<u>-</u>	<u>(4,172,225)</u>

29 Reconciliation of net cashflow to movement in net debt

	2011 £	2010 £
Increase in cash in the year	194,461	91,646
Cash outflow/(inflow) from changes in net debt	818,682	(969,315)
Debt acquired with purchase of subsidiary	-	(1,946,000)
Non cash movements	-	(135,000)
	<u>1,013,143</u>	<u>(2,958,669)</u>
Opening net debt	(5,185,368)	(2,226,699)
	<u>(4,172,225)</u>	<u>(5,185,368)</u>