

A. & B. Glass Company Limited

Report and consolidated Financial Statements

Year Ended

30 April 2012

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Company Registration Number 1543721

A. & B. GLASS COMPANY LIMITED

Annual report and financial statements for the year ended 30 April 2012

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Directors

D F Barrett
S D Stone
P B McManus

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 2012

The directors present their report and group financial statements of A & B Glass Company Limited for the year ended 30 April 2012

Principal activities

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

Review of the business

Following on from the 2011 Report of the directors, the challenges faced by both the UK economy and the window industry continued during the year. However, the directors made significant changes to the business during the year with a view to maintain profitability, the results of which can be shown in the attached profit and loss account

In July 2011, the non-core aluminium fabrication business based in Poole was sold to its management team, and in March 2012 the company transferred its retail operation (including customers, assets and staff) to a third party in order to concentrate fully on the three remaining divisions, Trade, New Build and Commercial

On 25 April 2012, the group's Chairman and owner Ray Byford retired, thirty one years after forming the company. On the same day the group's shares were purchased by the management team in an MBO backed by Lloyds TSB Bank plc, with Ray Byford retaining ownership of the group's three factories in Sudbury, Huddersfield and Rochester

The current directors would like to take this opportunity to put on record their thanks to Ray for his support leading up to, and during, the MBO process and wish him a long and happy retirement

Business environment

The year 2012/2013 will be tough for both the industry and the economy. Although not immune to the challenges brought about by the general economic environment, the changes to the group detailed above are expected to put the group on a secure long-term footing and in an ideal position to take advantage of any future upturn in the economy

Strategy

The group intends to optimise its production capacity by concentrating on developing New Build and Commercial sales and by 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) is continuing to have a significant impact on buying decisions, although price competition (particularly in the company's Commercial division) continues to be a major factor

A. & B. GLASS COMPANY LIMITED

Report of the directors for the year ended 30 April 2012 (*Continued*)

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 has and will continue to have a long term effect on Trade sales
- The Budget cuts have also affected 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.

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. In the difficult trading conditions the directors are satisfied with the groups performance in relation to the key performance indicators

The indicators and comparisons with 2011 may be summarised as follows

	2012	2011
	£000s	£000s
Turnover	34,951	39,229
Gross Profit	9,749	11,435
Operating Profit	500	1,223
Net bank borrowings	1,712	2,885

Results and dividends

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

Dividends of £5,833,343 (2011 Nil) were paid in the current 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

A. & B. GLASS COMPANY LIMITED

Report of the directors for the year ended 30 April 2012 (*Continued*)

Directors

The following directors have held office since 1 May 2011

D F Barrett	
S D Stone	(appointed 25 th April 2012)
P B McManus	(appointed 25 th April 2012)
R W Byford	(resigned 25 th April 2012)
M J Byford	(resigned 25 th April 2012)
P A Byford	(resigned 25 th April 2012)

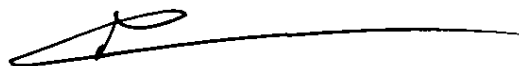
Auditor

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

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



D F Barrett
Director

31 October 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 2012 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.

Baker Tilly UK Audit LLP

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

31/01/12

A. & B. GLASS COMPANY LIMITED**Consolidated profit and loss account for the year ended 30 April 2012**

	Note	2012 £	2011 £
Turnover	2	34,951,339	39,229,345
Cost of sales		<u>(25,202,437)</u>	<u>(27,793,858)</u>
Gross profit		9,748,902	11,435,487
Other operating expenses		<u>(9,248,710)</u>	<u>(10,212,006)</u>
Operating profit		500,192	1,223,481
Redundancy	3	(18,896)	(96,669)
Related Party Loans waived	3	1,238,669	-
Impairment of goodwill	3	(821,268)	-
Investment income	4	126	127
Interest payable	5	<u>(137,449)</u>	<u>(172,539)</u>
Profit on ordinary activities before taxation	6	761,374	954,400
Taxation	9	<u>(182,600)</u>	<u>(536,086)</u>
Profit for the financial year after taxation	20,21	<u>578,774</u>	<u>418,314</u>

Turnover and operating profit are derived from the group's continuing operations

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 2012****Company registration number: 1543721**

	Note	2012	2011
		£	£
Fixed assets			
Intangible assets	10	1,037,939	1,990,869
Tangible assets	11	1,749,031	8,086,173
		<u>2,786,970</u>	<u>10,077,042</u>
Current assets			
Stocks	13	1,196,301	1,586,420
Debtors	14	7,523,969	7,743,425
Cash at bank and in hand		518,141	273,559
		<u>9,238,411</u>	<u>9,603,404</u>
Creditors: amounts falling due within one year	15	<u>(7,140,583)</u>	<u>(6,548,554)</u>
Net current assets		<u>2,097,828</u>	<u>3,054,850</u>
Total assets less current liabilities		<u>4,884,798</u>	<u>13,131,892</u>
Creditors: amounts falling due after more than one year	16	(178,692)	(3,142,608)
Provision for liabilities	17	(413,384)	(441,993)
Net assets		<u>4,292,722</u>	<u>9,547,291</u>
Capital and reserves			
Called up share capital	19	74	74
Other reserve	20	26	26
Profit and loss account	20	4,292,622	9,547,191
Shareholder's funds	21	<u>4,292,722</u>	<u>9,547,291</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 2012****Company registration number: 1543721**

	Note	2012		2011	
		£	£	£	£
Fixed assets					
Intangible assets	10		-		887,292
Tangible assets	11		1,453,840		5,432,314
Investments	12		1,448,869		1,448,869
			<u>2,902,709</u>		<u>7,768,475</u>
Current assets					
Stocks	13	707,313		1,100,383	
Debtors	14	6,102,314		6,296,991	
Cash at bank and in hand		342,349		217,643	
		<u>7,151,976</u>		<u>7,615,017</u>	
Creditors: amounts falling due within one year	15	<u>(5,012,688)</u>		<u>(5,088,270)</u>	
Net current assets			<u>2,139,288</u>		<u>2,526,747</u>
Total assets less current liabilities			<u>5,041,997</u>		<u>10,295,222</u>
Creditors: amounts falling due after more than one year	16		(178,692)		(1,660,589)
Provision for liabilities	17		(371,317)		(387,092)
Net assets			<u>4,491,988</u>		<u>8,247,541</u>
Capital and reserves					
Called up share capital	19		74		74
Other reserves	20		26		26
Profit and loss account	20		4,491,888		8,247,441
Shareholder's funds	21		<u>4,491,988</u>		<u>8,247,541</u>

The financial statements on pages 7 to 27 were approved by the Board of directors and authorised for issue on 31 October 2012 and are signed on its behalf by



D F Barrett
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 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Net cash flow from operating activities	27		851,730		1,780,963
Returns on investments and servicing of finance					
Interest received		126		127	
Interest paid		(111,220)		(139,390)	
Hire purchase interest paid		(26,229)		(33,149)	
Net cash outflow from returns on investments and servicing of finance			(137,323)		(172,412)
Taxation					
Corporation tax paid			(48,352)		(160,604)
Capital expenditure and financial investment					
Purchase of fixed assets		(180,562)		(593,222)	
Sale of fixed assets		6,249,386		158,418	
Net cash inflow from capital expenditure and financial investment			6,068,824		(434,804)
Dividends Paid			(5,833,343)		-
Cash inflow before financing			901,536		1,013,143
Financing					
Capital element of hire purchase payments	28	(224,782)		(203,753)	
Loans repaid	28	(2,169,074)		(614,929)	
Net cash outflow from financing			(2,393,856)		(818,682)
(Decrease) /increase in cash in year	28,29		(1,492,320)		194,461

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012

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 and Asset Manufacturing Limited as, in the opinion of the directors, these represent the periods over which the goodwill will be effective. The goodwill in respect of Coastal Windows Limited was written off in the year.

Tangible fixed assets and depreciation

Fixed assets, excluding investment properties, 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 2012 (*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 2012 (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 was based on expected costs to be incurred over the next 10 years based on previous warranty claims. Following the transfer of part of the retail business during the year, part of the warranty was transferred post year end with the provision being adjusted accordingly.

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 Exceptional items reported after operating profit

Severance payments and redundancy costs of £18,896 (2011 £96,669) were made in respect of 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 £4,882 (2011 £22,493) in respect of these exceptional items.

During the year related party loans owed by the group of £1,463,669 were written off. In addition related party loans due to the group of £225,000 were written off. As the loan balances were between associated companies for the tax purposes, the loan write offs were neither taxable or tax deductible in the relevant companies.

During the year the goodwill in respect of Coastal Windows Limited was written off following a review, post MBO, on the remaining useful economic life. No tax relief was available in respect of this expense.

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)

4 Investment income	2012	2011
	£	£
Bank interest	<u>126</u>	<u>127</u>
5 Interest payable	2012	2011
	£	£
On bank loans and overdrafts	111,220	101,444
On loans repayable after five years	-	37,946
Hire purchase interest	<u>26,229</u>	<u>33,149</u>
	<u>137,449</u>	<u>172,539</u>
6 Profit on ordinary activities before taxation	2012	2011
	£	£
Profit is stated after charging/(crediting)		
Amortisation of intangible assets	131,662	152,240
Impairment of intangible assets	821,268	-
Depreciation of tangible assets – owned	429,230	590,751
Depreciation of tangible assets – held under hire purchase contracts	173,649	155,566
(Profit)/loss on disposal of tangible assets	(108,136)	17,368
Operating lease rentals – other	646,449	601,996
Auditor's remuneration		
- statutory audit of parent and consolidated accounts	20,500	19,125
- audit of subsidiaries	15,500	15,000
Other services relating to taxation		
- Compliance services	8,445	8,200
- Advisory services	40,840	49,026
- Other services	<u>1,960</u>	<u>1,920</u>
7 Directors' emoluments	2012	2011
	£	£
Emoluments	254,356	287,268
Group pension contributions to money purchase schemes	<u>52,000</u>	<u>69,000</u>
	<u>306,356</u>	<u>356,268</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>122,423</u>	<u>139,351</u>

A. & B. GLASS COMPANY LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****8 Employees***Number of employees*

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

	2012	2011
	No.	No
Production and administration	341	385

Employment costs

	2012	2011
	£	£
Wages and salaries	7,855,742	8,796,855
Social security costs	740,859	855,098
Other pension costs	98,097	125,819
Redundancy and compensation for loss of office	18,896	96,669
	8,713,594	9,874,441

A. & B. GLASS COMPANY LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****9 Taxation**

	2012 £	2011 £
UK Corporation tax		
Current tax on profit of the period	257,354	362,346
Adjustment for prior years	-	218,291
Current tax charge	257,354	580,637
Deferred tax		
Origination and reversal of timing differences	(74,754)	(44,551)
Tax on profit on ordinary activities	182,600	536,086
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	761,374	954,400
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.8% (2011 - 28.0%)	196,709	267,232
Effects of		
Non deductible expenses	266,649	28,150
Depreciation in advance of capital allowances	83,397	76,603
Non-taxable income	(320,023)	-
Adjustments to previous periods	-	218,291
Small companies relief	-	(9,408)
Capital Gain	30,622	(231)
	60,645	313,405
Current tax charge	257,354	580,637

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 prior year.

A. & B. GLASS COMPANY LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****10 Intangible fixed assets**

Group	Goodwill £
<i>Cost</i>	
At 1 May 2011 and at 30 April 2012	<u>2,515,708</u>
<i>Amortisation</i>	
At 1 May 2011	524,839
Charge for the year	131,662
Impairment	821,268
At 30 April 2012	<u>1,477,769</u>
<i>Net book value</i>	
At 30 April 2012	<u>1,037,939</u>
At 30 April 2011	<u>1,990,869</u>
Company	Goodwill £
<i>Cost</i>	
At 1 May 2011 and at 30 April 2012	<u>1,202,947</u>
<i>Amortisation</i>	
At 1 May 2011	315,655
Charge for the year	66,024
Impairment	821,268
At 30 April 2012	<u>1,202,947</u>
<i>Net book value</i>	
At 30 April 2012	<u>-</u>
At 30 April 2011	<u>887,292</u>

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

11 Tangible fixed assets

Group	Freehold land and buildings £	Investment properties £	Land and buildings improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>							
At 1 May 2011	6,027,331	697,385	238,615	6,781,664	1,053,963	1,169,581	15,968,539
Additions	-	-	-	104,281	13,174	289,532	406,987
Disposals	(6,027,331)	(697,385)	-	(420,877)	(239,881)	(345,814)	(7,731,288)
At 30 April 2012	-	-	238,615	6,465,068	827,256	1,113,299	8,644,238
<i>Depreciation</i>							
At 1 May 2011	666,542	-	136,503	5,331,195	914,401	833,725	7,882,366
On disposals	(795,771)	-	-	(344,158)	(191,623)	(258,486)	(1,590,038)
Charge for the year	129,229	-	18,356	291,244	36,732	127,318	602,879
At 30 April 2012	-	-	154,859	5,278,281	759,510	702,557	6,895,207
<i>Net book value</i>							
At 30 April 2012	-	-	83,756	1,186,787	67,746	410,742	1,749,031
At 30 April 2011	5,360,789	697,385	102,112	1,450,469	139,562	335,856	8,086,173

The investment properties brought forward were included at cost which the directors believed represented the market value of these assets. Accordingly there was 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 2012	373,369	237,752	611,121
At 30 April 2011	381,499	52,388	433,887
<i>Depreciation charge for the year</i>			
At 30 April 2012	111,105	62,544	173,649
At 30 April 2011	118,257	37,309	155,566

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

11 Tangible fixed assets (*continued*)

Company	Freehold Land and buildings £	Investment properties £	Land and buildings improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>							
At 1 May 2011	3,796,331	443,385	238,615	4,339,839	469,635	874,091	10,161,896
Additions	1,964,000	254,000	-	104,281	13,174	236,250	2,571,705
Disposals	(5,760,331)	(697,385)	-	(412,968)	(239,881)	(328,923)	(7,439,488)
At 30 April 2012	-	-	238,615	4,031,152	242,928	781,418	5,294,113
<i>Depreciation</i>							
At 1 May 2011	400,430	-	136,503	3,204,844	348,918	638,887	4,729,582
On disposals	(453,538)	-	-	(344,157)	(191,623)	(256,212)	(1,245,530)
Charge for the year	53,108	-	18,356	176,284	26,742	81,731	356,221
At 30 April 2012	-	-	154,859	3,036,971	184,037	464,406	3,840,273
<i>Net book value</i>							
At 30 April 2012	-	-	83,756	994,181	58,891	317,012	1,453,840
At 30 April 2011	3,395,901	443,385	102,112	1,134,995	120,717	235,204	5,432,314

The investment properties were included at cost which the directors believed represented the market value of these assets. Accordingly there were no differences 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 2012	272,069	199,863	471,932
At 30 April 2011	270,199	14,499	284,698
<i>Depreciation charge for the year</i>			
At 30 April 2012	40,530	30,068	70,598
At 30 April 2011	47,682	4,833	52,515

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

12 Fixed assets investments

Company	Shares in subsidiary undertakings £
<i>Cost</i>	
At 1 May 2011 and at 30 April 2012	<u>3,022,284</u>
<i>Provisions for diminution in value</i>	
At 1 May 2011 and at 30 April 2012	<u>1,573,415</u>
<i>Net book value</i>	
At 30 April 2012	<u>1,448,869</u>
At 30 April 2011	<u>1,448,869</u>

The company held 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 LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****13 Stocks and work in progress**

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Raw materials	836,996	1,010,438	551,721	732,027
Work in progress	207,292	140,455	132,265	64,471
Finished goods and goods for resale	152,013	435,527	23,327	303,885
	<u>1,196,301</u>	<u>1,586,420</u>	<u>707,313</u>	<u>1,100,383</u>

14 Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	6,640,883	7,117,706	5,283,310	5,703,947
Amounts owed by related undertaking (note 25)	-	228,695	-	228,695
Amounts owed by parent company	402,500	-	402,500	43,577
Other debtors	198,468	30,749	198,468	30,752
Prepayments and accrued income	282,118	366,275	218,036	290,020
	<u>7,523,969</u>	<u>7,743,425</u>	<u>6,102,314</u>	<u>6,296,991</u>

A. & B. GLASS COMPANY LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****15 Creditors: amounts falling due within one year**

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdraft	2,230,379	673,740	1,830,435	595,961
Other loan	-	428,571	-	428,571
Net obligations under hire purchase contracts	142,515	200,865	125,285	89,073
Trade creditors	2,758,246	3,340,180	1,823,278	2,340,171
Amounts owed to subsidiary undertakings	-	-	206,412	541,431
Corporation tax	790,211	581,209	362,055	268,965
Other taxes and social security costs	477,290	491,676	203,934	239,164
Other creditors	35,646	38,622	35,646	38,622
Accruals and deferred income	706,296	793,691	425,643	546,312
	7,140,583	6,548,554	5,012,688	5,088,270

The bank loan and 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.

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

The group was 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 was a first legal charge over the land and buildings at the North East of Lindley Moor Road, Huddersfield. The bank loan incurred interest at 3.84125% per annum. There was a first legal charge over the properties at 5 and 7 Acton Flat Lane, Huddersfield. There was a corporate guarantee for all sums. The borrowings were repaid in the year and all charges released.

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

A. & B. GLASS COMPANY LIMITED**Notes forming part of the financial statements for the year ended 30 April 2012 (Continued)****16 Creditors: amounts falling due after more than one year**

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loan	-	2,488,194	-	1,024,874
Net obligations under hire purchase contracts	178,692	118,699	178,692	100,000
Other loan	-	535,715	-	535,715
	178,692	3,142,608	178,692	1,660,589

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

Bank and other loan maturity analysis

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
In more than one year but not more than two years	-	614,052	-	531,052
In more than two years but not more than five years	-	807,083	-	517,083
In more than five years		1,602,774		512,454
	-	3,023,909	-	1,560,589

Net obligations under hire purchase contracts

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Repayable within one year	142,515	200,865	125,285	89,073
Repayable between two and five years	178,692	118,699	178,692	100,000
	321,207	319,564	303,977	189,073

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

17 Provisions for liabilities and charges

	← Deferred tax liability £	Group Other provision £	→ Total £	← Deferred tax liability £	Company Other provision £	→ Total £
Balance at 1 May 2011	260,249	181,744	441,993	237,092	150,000	387,092
New dilapidation provision	-	150,000	150,000	-	150,000	150,000
Profit and loss account transfer	(74,754)	(103,855)	(178,609)	(61,916)	(103,859)	(165,775)
At 30 April 2012	185,495	227,889	413,384	175,176	196,141	371,317

Other provision includes warranty provision of £77,889 (2011 £181,744) which relates to the potential cost to the group under a warranty on group products. The provision is based on expected costs to be incurred based on previous warranty claims. Other provisions also includes an amount of £150,000 (2011 £Nil) in respect of dilapidation costs in relation to a leasehold property.

The deferred tax liability relates to accelerated capital allowances.

18 Pension costs

Defined contribution	2012 £	2011 £
Contributions payable by the group for the year	98,097	125,819

19 Share capital

	2012 £	2011 £
<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 2012 (Continued)

20 Reserves

	Group £	Company £
Capital redemption reserve		
At 1 May 2011 and at 30 April 2012	26	26
Profit and loss account		
At 1 May 2011	9,547,191	8,247,441
Profit for the year	578,774	2,077,790
Dividend	(5,833,343)	(5,833,343)
At 30 April 2012	4,292,622	4,491,888

21 Reconciliation of movements in shareholder's funds

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Dividend Paid	(5,833,343)	-	(5,833,343)	-
Profit/(loss) for the year	578,774	418,314	2,077,790	(251,085)
Opening shareholder's funds	9,547,291	9,128,977	8,247,541	8,498,626
Closing shareholder's funds	4,292,722	9,547,291	4,491,988	8,247,541

22 Financial commitments

At 30 April 2012 the group and company were committed to making the following annual payments under non-cancellable operating leases in the year to 30 April 2012

	Group Land and buildings		Group Other	
	2012 £	2011 £	2012 £	2011 £
Operating leases which expire				
Within one year	-	62,500	16,973	16,973
Between two and five years	282,500	364,230	76,195	90,732
In over five years	520,000	15,000	-	-

	Company Land and buildings		Company Other	
	2012 £	2011 £	2012 £	2011 £
Operating leases which expire				
Within one year	-	37,500	-	-
Between two and five years	282,500	364,230	76,195	-
In over five years	350,000	15,000	-	-

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

23 Capital commitments

Group and Company

At 30 April 2012 the group and company had capital commitments as follows

	2012 £	2011 £
Contracted for but not provided in the financial statements	-	72,051

24 Ultimate parent company and ultimate controlling party

With effect from 25th April 2012 the company's immediate parent company was GAG342 limited (now A & B Glass Holding Company Limited), which is the largest group for which consolidated financial statements are prepared. The company's ultimate parent company was SDSDAB Limited, from that date.

The directors consider the ultimate controlling party to be D F Barrett, a director and the majority shareholder in SDSDAB Limited. Prior to 25 April 2012, the ultimate controlling party was RW Byford.

25 Related party transactions

At 30 April 2012 the group was owed the following amounts by related parties

- Addison & Byford Limited (a company controlled by R W Byford) £Nil (2011 £228,695)

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 (2011 £32,500). At the year end the company had prepaid the rent by £1,250 (2011 £1,250).
- Sales to Addison & Byford Limited of £11,338 (2011 £43,078).
- Purchases from Addison & Byford Limited of £2,762 (2011 £15,260).
- A loan of £225,000 due from Addison & Byford Limited was written off in the year.
- A loan of £1,463,669 due to Ray Byford Limited was written off during the year.
- Sales to RW Byford of £2,654 (2011 £21,604).

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

26 Dividends

	2012 £	2011 £
Ordinary		
Interim paid - £78,828.96 (2011 - £Nil) per share	5,833,343	-

A. & B. GLASS COMPANY LIMITED

Notes forming part of the financial statements for the year ended 30 April 2012 (*Continued*)

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

	2012 £	2011 £
Operating profit	500,192	1,223,481
Exceptional costs	(18,896)	(96,669)
Depreciation	602,879	746,317
Amortisation	131,662	152,240
(Profit)/loss on sale of fixed assets	(108,136)	17,368
Decrease in stocks	390,119	171,665
(Increase)/decrease in debtors	(5,544)	1,143,129
Decrease in creditors	(686,691)	(1,400,521)
(Increase)/decrease in provisions	46,145	(176,047)
Net cash inflow from operating activities	<u>851,730</u>	<u>1,780,963</u>

28 Analysis of net debt

	At 1 May 2011 £	Cashflow £	Non-cash movements £	At 30 April 2012 £
Cash at bank and in hand	273,559	244,582	-	518,141
Overdraft	(493,477)	(1,736,902)	-	(2,230,379)
	<u>(219,918)</u>	<u>(1,492,320)</u>	<u>-</u>	<u>(1,712,238)</u>
Debt due within one year	(608,834)	608,834	-	-
Debt due after one year	(3,023,909)	1,560,240	1,463,669	-
Hire purchase	(319,564)	224,782	(226,425)	(321,207)
	<u>(4,172,225)</u>	<u>901,536</u>	<u>1,237,244</u>	<u>(2,033,445)</u>

29 Reconciliation of net cashflow to movement in net debt

	2012 £	2011 £
(Decrease)/ increase in cash in the year	(1,492,320)	194,461
Cash outflow from changes in net debt	2,393,856	818,682
Non cash movements	1,237,244	-
	<u>2,138,780</u>	<u>1,013,143</u>
Opening net debt	(4,172,225)	(5,185,368)
Net debt at end of year	<u>(2,033,445)</u>	<u>(4,172,225)</u>