

A. & B. Glass Company Limited

Report and consolidated Financial Statements

Year Ended

30 April 2014



Company Registration Number 1543721

A. & B. Glass Company Limited

Annual report and financial statements for the year ended 30 April 2014

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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 2014

The directors present their report and group financial statements of A. & B. Glass Company Limited for the year ended 30 April 2014.

Results

The results for the group for the year are as follows:

	2014 £000s	2013 £000s
Turnover	36,539	36,886
Gross Profit	8,421	8,903
Operating (Loss)/Profit	(227)	509
Operating (Loss)/Profit excluding exceptional bad debt	(4)	509
Net bank borrowings	3,163	2,893

No dividends were paid during the year.

An important non-financial KPI is the reportable accidents per employee: there were nil in the current period.

Employee involvement and disabled persons

The Group actively encourages employee involvement in the business. There are regular board, management and staff meetings to ensure employees are kept abreast of strategy, performance and future developments ensuring the flow of information throughout the business.

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 2013:

D F Barrett
S D Stone
P B McManus

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.

A. & B. Glass Company Limited

Report of the directors for the year ended 30 April 2014

Strategic Report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the company has disclosed the information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in its Strategic Report.

On behalf of the Board

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke ending in a small circle.

.....
P McManus
Director

17 February 2015

A. & B. Glass Company Limited

STRATEGIC REPORT

Principal activities

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

Review of the business

The group has continued to develop the trade, newbuild and commercial divisions. The results shown in the attached profit and loss account show slight reductions in both turnover and gross margin, which reflect the competitive nature of the marketplace during the year.

In July 2011, the company sold its aluminium division to Coastal Aluminium Limited on a deferred consideration basis. In October 2014, Coastal Aluminium Limited went into insolvent liquidation, which resulted in a significant bad debt. This bad debt has been fully provided for in the April 2014 financial statements.

As a result of the structural changes made in the year ended 30 April 2014, financial performance in the 2015 financial year have significantly improved compared to 2014, and the Directors are confident these improvements will continue throughout 2015.

Business environment

The industry continues to be extremely competitive, and the company continues to face commercial pressures and intense competition. However, the general macro-economic climate has improved over the last twelve months, and the company is ideally placed to take advantage of improved levels of demand in all sectors.

Strategy

The group has defined plans for growth in all sectors with the launch of a brand new trade network, geographical new build expansion and increased commercial product variety. Maintaining flexible production over both main sites is regarded as crucial in satisfying the intended markets.

Future outlook

The trend towards consolidation continues 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, which is paramount given price competition (particularly in the group's new build and commercial divisions) continues to be a major factor.

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 risk affecting the group's financial performance is considered to be the UK economy. The directors will closely monitor the impact of this and the risk factors below and will take swift and decisive strategic action should the need arise.

Price Risk

The Group is exposed to commodity price risk as a result of its purchasing requirements. The Directors continually monitor prices and, where appropriate, take action to fix prices.

A. & B. Glass Company Limited

STRATEGIC REPORT

Credit Risk

The Group has implemented policies that require appropriate credit checks on potential customers. This credit risk is then managed on a proactive basis through the sales process through to debt collection and recovery.

Liquidity/Cashflow Risk

The Group manages net cash inflows generated by its operations as part of its banking arrangements.

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 2013 are detailed in the directors' report.

On behalf of the Board


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P McManus
Director

17 February 2015

A. & B. Glass Company Limited

Directors' responsibilities in the preparation of financial statements

Directors' responsibilities

The directors are responsible for preparing the Strategic Report and 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 8 to 28. 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 6, 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditscopeukprivate>

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 2014 and of the group's loss 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 Strategic Report and 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

17 February 2015

A. & B. Glass Company Limited**Consolidated profit and loss account for the year ended 30 April 2014**

	Note	2014 £	2013 £
Turnover	2	36,539,397	36,885,882
Cost of sales		(28,118,803)	(27,983,298)
Gross profit		8,420,594	8,902,584
Other operating expenses		(8,424,284)	(8,393,412)
Exceptional bad debt	3	(223,389)	-
Operating (loss)/profit		(227,079)	509,172
Redundancy	3	-	(33,760)
Interest payable and similar charges	4	(140,022)	(110,436)
(Loss)/Profit on ordinary activities before taxation	5	(367,101)	364,976
Taxation	8	58,132	(70,230)
(Loss)/Profit for the financial year after taxation	19,20	(308,969)	294,746

Turnover and operating profit are derived from the group's continuing operations. The results for year ended 30 April 2014 include turnover of £167,498, gross profit of £15,269 and an operating loss of £16,855 in respect of operations acquired during the year.

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 12 to 28 form part of these financial statements.

A. & B. Glass Company Limited**Consolidated balance sheet at 30 April 2014****Company registration number: 1543721**

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	9	937,407		942,727	
Tangible assets	10	1,464,339		1,628,881	
		<u>2,401,746</u>		<u>2,571,608</u>	
Current assets					
Stocks	12	1,501,605		1,433,067	
Debtors	13	9,535,645		10,296,893	
Cash at bank and in hand		182,856		44,991	
		<u>11,220,106</u>		<u>11,774,951</u>	
Creditors: amounts falling due within one year	14	<u>(8,963,566)</u>		<u>(9,163,994)</u>	
Net current assets		<u>2,256,540</u>		<u>2,610,957</u>	
Total assets less current liabilities		<u>4,658,286</u>		<u>5,182,565</u>	
Creditors: amounts falling due after more than one year	15	(259,818)		(296,958)	
Provision for liabilities	16	(119,969)		(298,139)	
Net assets		<u>4,278,499</u>		<u>4,587,468</u>	
Capital and reserves					
Called up share capital	18	74		74	
Other reserve	19	26		26	
Profit and loss account	19	4,278,399		4,587,368	
Shareholder's funds	20	<u>4,278,499</u>		<u>4,587,468</u>	

The notes on pages 12 to 28 form part of these financial statements.

A. & B. Glass Company Limited**Company balance sheet at 30 April 2014****Company registration number: 1543721**

	Note	2014	2013
		£	£
Fixed assets			
Tangible assets	10	1,196,030	1,343,996
Investments	11	1,510,869	1,448,869
		<u>2,706,899</u>	<u>2,792,865</u>
Current assets			
Stocks	12	768,283	783,374
Debtors	13	8,189,487	8,549,333
Cash at bank and in hand		119,528	40,831
		<u>9,077,298</u>	<u>9,373,538</u>
Creditors: amounts falling due within one year	14	<u>(6,953,859)</u>	<u>(6,980,789)</u>
Net current assets		<u>2,123,439</u>	<u>2,392,749</u>
Total assets less current liabilities		<u>4,830,338</u>	<u>5,185,614</u>
Creditors: amounts falling due after more than one year	15	(193,485)	(208,639)
Provision for liabilities	16	(85,713)	(278,543)
Net assets		<u>4,551,140</u>	<u>4,698,432</u>
Capital and reserves			
Called up share capital	18	74	74
Other reserves	19	26	26
Profit and loss account	19	4,551,040	4,698,332
Shareholder's funds	20	<u>4,551,140</u>	<u>4,698,432</u>

The financial statements on pages 8 to 28 were approved by the Board of directors and authorised for issue on 17 February 2015 and are signed on its behalf by:



P McManus
Director

The notes on pages 12 to 28 form part of these financial statements.

A. & B. Glass Company Limited

Consolidated cash flow statement for the year ended 30 April 2014

	Notes	2014 £	2014 £	2013 £	2013 £
Net cash inflow/(outflow) from operating activities	26		489,959		(301,732)
Returns on investments and servicing of finance					
Interest paid		(116,215)		(84,731)	
Hire purchase interest paid		(23,807)		(25,705)	
Net cash outflow from returns on investments and servicing of finance			(140,022)		(110,436)
Taxation					
Corporation tax paid			(307,622)		(547,695)
Capital expenditure and financial investment					
Purchase of fixed assets		(139,665)		(65,820)	
Sale of fixed assets		2,308		10,184	
Net cash outflow from capital expenditure and financial investment			(137,357)		(55,636)
Acquisition and disposal					
Purchase of subsidiary			(62,000)		-
Cash outflow before financing			(157,042)		(1,015,499)
Financing					
Capital element of hire purchase payments	27	(113,773)		(165,227)	
Net cash outflow from financing			(113,773)		(165,227)
Decrease in cash in year	27,28		(270,815)		(1,180,726)

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014

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 Masterlite DG Limited, 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.

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 at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

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 2014 (*Continued*)

1 Accounting policies (*Continued*)

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' Personal Pension Scheme. The assets of these schemes are held separately from the group 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.

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.

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

1 Accounting policies (*Continued*)

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.

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

The group incurred a one-off bad debt in respect Coastal Aluminium Limited of £223,389 in the year ended 30 April 2014 (2013: £Nil). The corporation tax charge for the year has been reduced by approximately £14,000 and tax losses have been carried forward of £154,000 for which no deferred tax provision has been made.

Severance payments and redundancy costs of £NIL (2013: £33,760) were made in respect of employees as a result of the restructuring of the group. The corporation tax charge for the year has been reduced by £NIL (2013: £8,075) in respect of these exceptional items.

4 Interest payable

	2014 £	2013 £
On bank loans and overdrafts	97,519	84,731
On corporation tax liability	18,696	-
Hire purchase interest	23,807	25,705
	<u>140,022</u>	<u>110,436</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

5 (Loss)/profit on ordinary activities before taxation

	2014 £	2013 £
(Loss)/profit is stated after charging/(crediting):		
Amortisation of intangible assets	82,576	95,212
Depreciation of tangible assets – owned	265,839	322,743
Depreciation of tangible assets – held under hire purchase contracts	115,482	109,339
Loss/(profit) on disposal of tangible assets	8,847	(2,446)
Operating lease rentals – other	967,168	674,177
Auditor's remuneration		
- statutory audit of parent and consolidated accounts	16,125	16,125
- audit of subsidiaries	12,875	12,875
<i>Other services relating to taxation</i>		
- Compliance services	6,000	6,000
- Advisory services	11,950	4,595

6 Directors' emoluments

	2014 £	2013 £
Emoluments	357,764	302,480
Group pension contributions to money purchase schemes	9,176	6,995
	<u>366,940</u>	<u>309,475</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>135,343</u>	<u>110,331</u>
Pension contributions	<u>2,450</u>	<u>-</u>

The directors' remuneration, noted above, is paid through the parent company, SDSDAB Limited.

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

7 Employees

Number of employees

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

	2014 No.	2013 No.
Production and administration	<u>386</u>	<u>357</u>

Employment costs

	2014 £	2013 £
Wages and salaries	8,698,644	8,097,841
Social security costs	799,849	774,811
Other pension costs	30,143	45,585
Redundancy and compensation for loss of office	-	33,760
	<u>9,528,636</u>	<u>8,951,997</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

8 Taxation

	2014 £	2013 £
UK Corporation tax		
Current tax on loss of the period	(1,344)	155,797
Adjustment for prior years	(18,535)	(26,537)
Current tax (credit)/charge	(19,879)	129,260
Deferred tax		
Origination and reversal of timing differences	(38,253)	(59,030)
Tax on loss/profit on ordinary activities	(58,132)	70,230
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:		
(Loss)/profit on ordinary activities before taxation	(367,101)	364,976
Loss/(profit) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2012 – 23.92%)	(73,420)	87,303
Effects of:		
Non deductible expenses	18,840	28,767
Depreciation in advance of capital allowances	13,886	43,147
Adjustments to previous periods	(18,535)	(26,537)
Small companies relief	-	(3,588)
Losses carried forward	30,775	-
Group relief	8,575	-
	53,541	41,789
Current tax charge	(19,879)	129,092

The group has tax losses of approximately £154,000 carried forward for which no deferred tax provision has been made.

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

9 Intangible fixed assets

Group	Goodwill £
<i>Cost</i>	
At 1 May 2013	2,515,708
Additions	47,556
Transfer in on acquisition	66,000
At 30 April 2014	2,629,264
<i>Amortisation</i>	
At 1 May 2013	1,572,981
Charge for the year	82,576
Transfer in on acquisition	36,300
At 30 April 2014	1,691,857
<i>Net book value</i>	
At 30 April 2014	937,407
At 30 April 2013	942,727
Company	Goodwill £
<i>Cost</i>	
At 1 May 2013 and at 30 April 2014	1,202,947
<i>Amortisation</i>	
At 1 May 2013 and at 30 April 2014	1,202,947
<i>Net book value</i>	
At 30 April 2013 and at 30 April 2014	-

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

10 Tangible fixed assets

Group	Land and buildings improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>					
At 1 May 2013	238,615	6,510,422	838,527	1,320,382	8,907,946
Additions	20,413	77,473	21,371	105,434	224,691
Transfer in on acquisition	-	-	4,510	11,000	15,510
Disposals	-	-	-	(70,347)	(70,347)
At 30 April 2014	259,028	6,587,895	864,408	1,366,469	9,077,800
<i>Depreciation</i>					
At 1 May 2013	173,215	5,527,204	777,034	801,612	7,279,065
On disposals	-	-	-	(59,192)	(59,192)
Transfer in on acquisition	-	-	3,551	8,716	12,267
Charge for the year	16,422	197,850	17,841	149,208	381,321
At 30 April 2014	189,637	5,725,054	798,426	900,344	7,613,461
<i>Net book value</i>					
At 30 April 2014	69,391	862,841	65,982	466,125	1,464,339
At 30 April 2013	65,400	983,218	61,493	518,770	1,628,881

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 2014	39,807	388,103	427,910
At 30 April 2013	451,862	458,817	910,679
<i>Depreciation charge for the year</i>			
At 30 April 2014	7,025	108,457	115,482
At 30 April 2013	40,810	68,529	109,339

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

10 Tangible fixed assets (*continued*)

Company	Land and buildings improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>					
At 1 May 2013	238,615	4,064,687	239,346	828,010	5,370,658
Additions	-	16,100	1,979	105,434	123,513
Disposals	-	-	-	(70,347)	(70,347)
At 30 April 2014	238,615	4,080,787	241,325	863,097	5,423,824
<i>Depreciation</i>					
At 1 May 2013	173,214	3,201,389	181,035	471,024	4,026,662
On disposals	-	-	-	(59,192)	(59,192)
Charge for the year	15,302	130,862	13,214	100,946	260,324
At 30 April 2014	188,516	3,332,251	194,249	512,778	4,227,794
<i>Net book value</i>					
At 30 April 2014	50,099	748,536	47,076	350,319	1,196,030
At 30 April 2013	65,401	863,298	58,311	356,986	1,343,996

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 2014	39,807	294,530	334,337
At 30 April 2013	451,862	362,742	814,604
<i>Depreciation charge for the year</i>			
At 30 April 2014	7,025	82,937	89,962
At 30 April 2013	40,810	60,022	100,832

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

11 Fixed assets investments

Company	Shares in subsidiary undertakings £
<i>Cost</i>	
At 1 May 2013	3,022,284
Additions	62,000
At 30 April 2014	<u>3,084,284</u>
<i>Provisions for diminution in value</i>	
At 1 May 2013 and at 30 April 2014	<u>1,573,415</u>
<i>Net book value</i>	
At 30 April 2014	<u>1,510,869</u>
At 30 April 2013	<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
Masterlite DG 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. The principal activity of Materlite DG Limited is double glazing installation. All other the other subsidiary undertakings listed above have not traded throughout the year.

12 Stocks and work in progress

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	1,023,701	909,251	494,252	552,906
Work in progress	150,921	386,235	101,953	125,490
Finished goods and goods for resale	326,983	137,581	172,078	104,978
	<u>1,501,605</u>	<u>1,433,067</u>	<u>768,283</u>	<u>783,374</u>

A. & B. Glass Company LimitedNotes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)**13 Debtors**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	7,615,130	8,283,276	6,032,924	6,603,387
Amounts owed by parent company	1,427,704	1,178,291	1,577,704	1,178,291
Amount owed by subsidiary undertakings	-	-	155,212	-
Other debtors	62,339	151,955	60,077	151,953
Prepayments and accrued income	430,472	683,371	363,570	615,702
	<u>9,535,645</u>	<u>10,296,893</u>	<u>8,189,487</u>	<u>8,549,333</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdraft	3,345,729	2,937,955	2,530,725	2,376,202
Net obligations under hire purchase contracts	121,265	112,872	99,279	92,193
Trade creditors	4,292,136	4,422,546	2,940,246	3,125,941
Amounts owed to subsidiary undertakings	-	-	799,971	496,823
Corporation tax	51,985	371,776	-	159,204
Other taxes and social security costs	575,251	609,183	326,692	348,570
Other creditors	66,100	8,275	41,000	8,276
Accruals and deferred income	511,100	701,387	215,946	373,580
	<u>8,963,566</u>	<u>9,163,994</u>	<u>6,953,859</u>	<u>6,980,789</u>

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.

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

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

15 Creditors: amounts falling due after more than one year

	Group 2014 £	2013 £	Company 2014 £	2013 £
Net obligations under hire purchase contracts	259,818	296,958	193,485	208,639
	<u>259,818</u>	<u>296,958</u>	<u>193,485</u>	<u>208,639</u>

Net obligations under hire purchase contracts

	Group 2014 £	2013 £	Company 2014 £	2013 £
Repayable within one year	121,265	112,872	99,279	92,193
Repayable within one to two years	121,265	112,872	99,279	92,193
Repayable between two and five years	138,553	184,086	94,206	116,446
	<u>381,083</u>	<u>409,830</u>	<u>292,764</u>	<u>300,832</u>

16 Provisions for liabilities and charges

	← Deferred tax liability £	Group Other provision £	→ Total £	← Deferred tax liability £	Company Other provision £	→ Total £
Balance at 1 May 2013	126,465	171,674	298,139	138,626	139,917	278,543
Profit and loss account transfer	(38,253)	-	(38,253)	(52,913)	-	(52,913)
Provision utilised	-	(139,917)	(139,917)	-	(139,917)	(139,917)
At 30 April 2014	<u>88,212</u>	<u>31,757</u>	<u>119,969</u>	<u>85,713</u>	<u>-</u>	<u>85,713</u>

Other provision includes a warranty provision of £31,757 (2013: £31,757) in respect of the group and £Nil (2012: £Nil) in respect of the company which relates to potential costs under a warranty on products. The provision is based on expected costs to be incurred based on previous warranty claims. Other provisions, both group and company, also includes an amount of £Nil (2013: £139,917) in respect of dilapidation costs in relation to a leasehold property.

The deferred tax liability relates to accelerated capital allowances. No provision has been made in respect of tax losses carried forward, as disclosed in Note 8.

17 Pension costs

Defined contribution schemes	2014 £	2013 £
Contributions payable by the group for the year	<u>30,143</u>	<u>45,585</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

18 Share capital

	2014 £	2013 £
<i>Authorised</i>		
100 Ordinary of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
74 Ordinary of £1 each	<u>74</u>	<u>74</u>
<i>Equity shares</i>		
74 Ordinary of £1 each	<u>74</u>	<u>74</u>

19 Reserves

	Group £	Company £
Capital redemption reserve		
At 1 May 2013 and at 30 April 2014	<u>26</u>	<u>26</u>
Profit and loss account		
At 1 May 2013	4,587,368	4,698,332
Loss for the year	(308,969)	(147,292)
At 30 April 2014	<u>4,278,399</u>	<u>4,551,040</u>

20 Reconciliation of movements in shareholder's funds

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
(Loss)/profit for the year	(308,969)	294,746	(147,292)	206,444
Opening shareholder's funds	<u>4,587,468</u>	<u>4,292,722</u>	<u>4,698,432</u>	<u>4,491,988</u>
Closing shareholder's funds	<u>4,278,499</u>	<u>4,587,468</u>	<u>4,551,140</u>	<u>4,698,432</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

21 Financial commitments

At 30 April 2014 the group and company were committed to making the following annual payments under non-cancellable operating leases in the year to 30 April 2015:

	Group Land and buildings		Group Other	
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
Within one year	-	195,000	9,225	63,425
Between one and five years	-	-	105,029	119,349
In over five years	515,000	531,000	-	-

	Company Land and buildings		Company Other	
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
Within one year	-	195,000	6,371	-
Between one and five years	-	-	36,545	53,262
In over five years	345,000	361,000	-	-

22 Capital commitments

Group and Company

At 30 April 2014 the group and company had capital commitments as follows:

	2014	2013
	£	£
Contracted for but not provided in the financial statements	-	53,262

23 Contingent liabilities

At the Balance Sheet date the company had a dilapidations issue on a leasehold building vacated in December 2013. As at January 2015, this issue remained unresolved, but as the Directors do not consider the expected outcome to be material, no provision has been made in these financial statements.

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

24 Ultimate parent company and ultimate controlling party

The company's immediate parent company is A & B Glass Holding Company Limited. The company's ultimate parent company is SDSDAB Limited and is the smallest and largest group for which consolidated accounts including A. & B. Glass Company Limited are prepared. The consolidated accounts for SDSDAB Limited are available from Companies House.

The directors consider the ultimate controlling party to be D F Barrett, a director and the majority shareholder in SDSDAB Limited.

25 Related party transactions

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 Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities

	2014 £	2013 £
Operating (loss)/profit	(227,079)	509,172
Exceptional costs	-	(33,760)
Depreciation	381,321	432,082
Amortisation	82,576	95,212
(Profit)/loss on sale of fixed assets	8,847	(2,446)
(Increase)/Decrease in stocks	(68,538)	(236,766)
(Increase)/decrease in debtors	801,251	(2,772,924)
Increase/(decrease) in creditors	(348,502)	1,763,913
Increase/(decrease) in provisions	(139,917)	(56,215)
Net cash inflow/(outflow) from operating activities	<u>489,959</u>	<u>(301,732)</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (*Continued*)

27 Analysis of net debt

	At 1 May 2013 £	Cashflow £	Acquisition £	Non-cash movements £	At 30 April 2014 £
Cash at bank and in hand	44,991	135,729	2,136	-	182,856
Overdraft	(2,937,955)	(406,544)	(1,230)	-	(3,345,729)
	<u>(2,892,964)</u>	<u>(270,815)</u>	<u>906</u>	<u>-</u>	<u>(3,162,873)</u>
Hire purchase	(409,830)	113,773	-	(85,026)	(381,083)
	<u>(3,302,794)</u>	<u>(157,042)</u>	<u>906</u>	<u>(85,026)</u>	<u>(3,543,956)</u>

28 Reconciliation of net cashflow to movement in net debt

	2014 £	2013 £
Decrease in cash in the year	(270,815)	(1,180,726)
Cash outflow from changes in net debt	113,773	165,227
Net cash acquired on acquisition	906	-
Non cash movements	(85,026)	(253,850)
	<u>(241,162)</u>	<u>(1,269,349)</u>
Opening net debt	(3,302,794)	(2,033,445)
Net debt at end of year	<u>(3,543,956)</u>	<u>(3,302,794)</u>

A. & B. Glass Company Limited

Notes forming part of the financial statements for the year ended 30 April 2014 (Continued)

29 Purchase of subsidiary undertaking

The company acquired Masterlite DG Limited on 1 October 2013. The acquisition has been accounted for using the acquisition method.

	2014 £
Net assets acquired:	
Intangible fixed assets	29,700
Tangible fixed assets	3,243
Trade debtors	36,464
Other debtors	3,539
Cash at bank	2,136
Trade creditors	(44,642)
Bank overdrafts	(1,230)
Corporation tax	(7,710)
Other taxes and social securities	(3,241)
Other creditors	(3,815)
Fair value of assets acquired	<u>14,444</u>
Purchase price	<u>62,000</u>
Goodwill	<u>47,556</u>
Discharged by:	
Cash paid	<u>62,000</u>

The subsidiary undertaking acquired during the year contributed £61,123 to the Group's net operating cash flows, paid £130 in respect of net returns on investments and servicing of finance and paid £7,710 in respect of taxation.

Analysis of the net outflow of cash in respect of the purchase of the subsidiary undertaking:

	2014 £
Cash consideration	62,000
Net cash acquired	(906)
Net flow of cash in respect of the purchase of the subsidiary undertaking	<u>61,094</u>