

A. & B. Glass Company Limited

Report and consolidated Financial Statements

Year Ended

30 April 2018



Company Registration Number 1543721

A. & B. Glass Company Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

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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

RSM 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 2018

The directors present their report and consolidated financial statements of A. & B. Glass Company Limited for the year ended 30 April 2018.

RESULTS AND DIVIDENDS

The results for the group for the year (together with comparatives) are as follows:

	2018 £000s	2017 £000s	2016 £000s	2015 £000s	2014 £000s
Turnover	40,716	37,149	37,441	36,486	36,539
Gross Profit	9,327	8,058	8,880	9,120	8,421
Operating Profit/(loss)	174	(356)	925	945	(227)
Net bank borrowings	3,938	3,442	3,058	2,900	3,163

No dividend was paid by the company (2017: £nil).

An important non-financial KPI is the reportable accidents per employee of which there were none in the current or prior 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 2017:

D F Barrett
S D Stone
P B McManus

AUDITOR

The auditor, RSM 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.

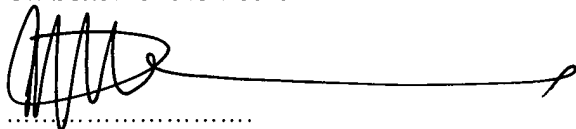
A. & B. Glass Company Limited

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2018 (*Continued*)

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 extending to the right.

P McManus
Director

Date *30 January 2019*

A. & B. Glass Company Limited

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2018

PRINCIPAL ACTIVITIES

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

REVIEW OF THE BUSINESS

The group had two trading companies during the year as follows:

A. & B. Glass Company Limited

A. & B. Glass Company Limited operates in the trade, new build & commercial marketplaces in the UK.

Turnover of £30,621,446 in the year was 17.6% up on 2017's figure of £26,042,645 and resulted in a trading profit of £308,505 compared to a prior year trading loss of £282,493. Net assets increased to £5,297,884.

The increase in overall turnover was the result of an increase in both newbuild and commercial work. Gross margin increased slightly, but attempts to increase it further were hampered by the competitive market place, and honouring a number of long term fixed price contracts.

John Fredericks Plastics Limited

John Fredericks Plastics Limited supplies the trade market throughout the UK.

The results for the year were disappointing, with a trading loss of £176,381 compared to a trading loss of £224,136 the previous year, and a subsequent reduction in net assets from £169,706 to £26,078. Upward pressure on both raw material and production labour costs continued during the year and due to the highly competitive nature of the trade supply industry, these cost increases could not be passed on to customers.

Group cashflow reduced by £496,765 due principally to the purchase of assets, interest and capital repayments.

BUSINESS ENVIRONMENT

The industry continues to be extremely competitive and the group faces intense pressure in the marketplace.

STRATEGY

Competitive pricing, first class customer service and an ongoing commitment to quality and innovation will continue to be central to the group's strategy of continued sustainable growth.

FUTURE OUTLOOK

The directors are confident that the group will continue to trade profitably in the year ended 30 April 2019.

At A. & B. Glass Company Limited, the order book continues to grow past £15m, and all three divisions expect turnover to increase. Although it is proving difficult to pass on all raw material and labour cost increases, sourcing and productivity improvements are helping to restore margins.

At John Fredericks Plastics Limited, the directors are still confident in the long-term success of the business and through SDSDAB Limited, the ultimate holding company, they are committed to supporting the company and its recovery.

A. & B. Glass Company Limited

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2018 (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 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.

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

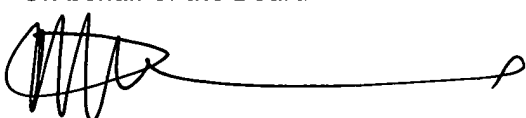
The group manages net cash inflows generated by its operations as part of its banking arrangements.

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. These are shown in the Report of the Directors on page 2. In challenging trading conditions the directors are satisfied with the group's performance in relation to the key performance indicators.

The indicators and comparisons with 2017 are detailed in the directors' report.

On behalf of the Board



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P McManus
Director

30 January 2019

A. & B. Glass Company Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 group and 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

Opinion

We have audited the financial statements of A. & B. Glass Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2018 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, statement of financial position, statement of changes in equity, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and

A. & B. Glass Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF A. & B. GLASS COMPANY LIMITED

- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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.

RSM UK Audit LLP

PETER HOWARD (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA
Date 31/01/19

A. & B. Glass Company Limited**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 30 April 2018**Company number: 1543721**

	Note	2018 £	2017 £
Turnover	1	40,716,926	37,149,245
Cost of sales		<u>(31,390,103)</u>	<u>(29,090,880)</u>
Gross profit		9,326,823	8,058,365
Other operating expenses		<u>(9,153,226)</u>	<u>(8,414,178)</u>
Operating profit/(loss)		173,597	(355,813)
Interest receivable	2	-	16
Interest payable and similar charges	2	<u>(103,538)</u>	<u>(111,404)</u>
Profit/(loss) before taxation	3	70,059	(467,201)
Taxation	6	<u>(53,595)</u>	<u>43,403</u>
Profit/(loss) for the financial year after taxation		16,464	(423,798)
Total comprehensive income/(loss) for the year		16,464	(423,798)

Turnover and operating profit/(loss) are derived from the group's continuing operations.

The notes on pages 14 to 31 form part of these financial statements.

A. & B. Glass Company Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1543721

For the year ended 30 April 2018

Company

number:

	Note	2018 £	£	2017 £	£
FIXED ASSETS					
Intangible assets	7	663,169		717,204	
Tangible assets	8	1,165,712		1,207,835	
		<u>1,828,881</u>		<u>1,925,039</u>	
CURRENT ASSETS					
Stocks	10	1,583,683		1,753,445	
Debtors	11	11,883,253		10,560,115	
Cash at bank and in hand		203,711		123,440	
		<u>13,670,647</u>		<u>12,437,000</u>	
CREDITORS: amounts falling due within one year	12	<u>(10,588,542)</u>		<u>(9,459,709)</u>	
NET CURRENT ASSETS		<u>3,082,105</u>		<u>2,977,291</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,910,986</u>		<u>4,902,330</u>	
CREDITORS: amounts falling due after more than one year	13	(137,743)		(136,549)	
PROVISION FOR LIABILITIES	15	(241,593)		(250,595)	
NET ASSETS		<u>4,531,650</u>		<u>4,515,186</u>	
CAPITAL AND RESERVES					
Called up share capital	17	74		74	
Other reserve		26		26	
Profit and loss account		4,531,550		4,515,086	
TOTAL EQUITY		<u>4,531,650</u>		<u>4,515,186</u>	

The notes on pages 14 to 31 form part of these financial statements.

A. & B. Glass Company Limited

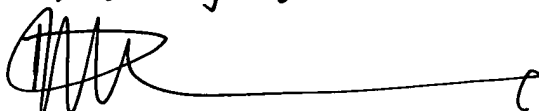
STATEMENT OF FINANCIAL POSITION For the year ended 30 April 2018

Company number: 1543721

	Note	2018 £	£	2017 £	£
FIXED ASSETS					
Intangible assets	7		13,504		-
Tangible assets	8		1,008,629		1,043,344
Investments	9		1,448,870		1,448,870
			<u>2,471,003</u>		<u>2,492,214</u>
CURRENT ASSETS					
Stocks	10	822,789		962,696	
Debtors	11	10,278,861		9,433,420	
Cash at bank and in hand		173,846		97,157	
		<u>11,275,496</u>		<u>10,493,273</u>	
CREDITORS: amounts falling due within one year	12	<u>(8,108,219)</u>		<u>(7,557,077)</u>	
NET CURRENT ASSETS			<u>3,167,277</u>		<u>2,936,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,638,280</u>		<u>5,428,410</u>
CREDITORS: amounts falling due after more than one year	13		(137,743)		(136,549)
PROVISION FOR LIABILITIES	15		(202,653)		(216,550)
NET ASSETS			<u>5,297,884</u>		<u>5,075,311</u>
CAPITAL AND RESERVES					
Called up share capital	17		74		74
Other reserves			26		26
Profit and loss account			5,297,784		5,075,211
TOTAL EQUITY			<u>5,297,884</u>		<u>5,075,311</u>

The company's profit for the year and total comprehensive profit for the year was £222,573.

The financial statements on pages 9 to 31 were approved by the Board of directors and authorised for issue on 30 January 2019 and are signed on its behalf by:



P McManus
Director

The notes on pages 14 to 31 form part of these financial statements.

A. & B. Glass Company Limited**STATEMENT OF CHANGES IN EQUITY**
For the year ended 30 April 2018**Company number: 1543721**

Group	Share Capital & Other Reserves	Profit & Loss Account	Total
	£	£	£
Balance at 1 May 2016	100	4,938,884	4,938,984
Total comprehensive loss for the year	-	(423,798)	(423,798)
Balance at 30 April 2017	100	4,515,086	4,515,186
Total comprehensive profit for the year	-	16,464	16,464
Balance at 30 April 2018	100	4,531,550	4,531,550

Company	Share Capital & Other Reserves	Profit & Loss Account	Total
	£	£	£
Balance at 1 May 2016	100	5,358,255	5,358,355
Total comprehensive loss for the year	-	(283,044)	(283,044)
Balance at 30 April 2017	100	5,075,211	5,075,311
Total comprehensive profit for the year	-	222,573	222,573
Balance at 30 April 2018	100	5,297,784	5,297,884

A. & B. Glass Company Limited

CONSOLIDATED CASH FLOW STATEMENT For the year ended 30 April 2018

Company number: 1543721

	Notes	2018 £	2018 £	2017 £	2017 £
Operating activities					
Cash (absorbed)/generated from operations	22	(56,926)		238,326	
Corporation tax paid		-		(163,409)	
Net cash (used in)/from operating activities			(56,926)		74,917
Investing activities					
Interest received		-		16	
Purchase of fixed assets		(169,796)		(135,372)	
Sale of fixed assets		3,041		-	
Net cash used in investing activities			(166,755)		(135,356)
Financing activities					
Interest paid		(83,898)		(89,248)	
Hire purchase interest paid		(19,640)		(22,156)	
Capital element of hire purchase payments		(169,546)		(212,113)	
Net cash used in financing activities			(273,084)		(323,517)
Net decrease in cash and cash equivalents			(496,765)		(383,956)
Cash and cash equivalents at the beginning of the year			(3,441,832)		(3,057,876)
Cash and cash equivalents at the end of the year			(3,938,597)		(3,441,832)
Relating to:					
Cash at bank and in hand			203,711		123,440
Debt factoring			(4,142,308)		(3,565,272)
			(3,938,597)		(3,441,832)

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2018

ACCOUNTING POLICIES

GENERAL INFORMATION

A. & B. Glass Company Limited ("the Company") is a private limited company, limited by shares, domiciled and incorporated in England and Wales.

The address of the Company's registered office and principal place of business is Addison Road, Chilton Industrial Estate, Sudbury, Suffolk, CO10 2YW

The Company's principal activities are the manufacture and distribution of double glazed UPVC doors, windows and conservatories.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

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. All financial statements are made up to 30 April 2018. 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 profit and loss. As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of comprehensive income, as it prepares group accounts and the statement of financial position shows the company's loss for the financial year.

REDUCED DISCLOSURES

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares.
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of A. & B. Glass Company Limited and SDSDAB Limited. The consolidated financial statements are available from its registered office, Addison Road, Chilton Industrial Estate, Sudbury, Suffolk, CO10 2YW.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2018

GOING CONCERN

The company and group are well established and enjoy long standing relationships with customers and suppliers. As a consequence, the directors believe that the company and group are well placed to manage their business risks successfully.

The directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUNCTIONAL AND PRESENTATIONAL CURRENCIES

The financial statements are presented in sterling which is also the functional currency of the Group. The figures presented are rounded to the nearest £.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax. 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 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.

INTANGIBLE FIXED ASSETS

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Purchased computer software	25% per annum
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TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation. Depreciation is provided on all tangible fixed assets; at rates calculated to write off the cost of each asset to its estimated residual value over its expected useful life, as follows:

Leasehold property improvements	5% - 20% straight line or over the years remaining on the lease
Plant & machinery	15% per annum reducing balance
Motor vehicles	20% - 25% per annum reducing balance
Fixtures, fittings & equipment	15% - 20% per annum reducing balance

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2018

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

INVESTMENTS

Fixed asset investments are stated at cost less accumulated impairment losses.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis and for finished goods and work in progress, includes direct labour costs and overheads appropriate to the stage of manufacture.

At each reporting date, the company and group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit and loss.

Reversals of impairment losses are also recognised in profit or loss.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are permanently non-taxable or non-deductible; or are otherwise taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expense in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited to comprehensive income, except where it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 30 April 2018**

LEASES

Hire Purchase

An asset and corresponding liability are recognised for leasing agreements that transfer to the company and group substantially all of the risks and rewards incidental to ownership ("hire purchase"). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating Leases as a Lessee

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

Operating Leases as a Lessor

Rental income from assets leased under operating leases is recognised on a straight line basis over the term of the lease. Rent free periods or other incentives given to the lessee are accounted for as a reduction in the rental income and recognised on a straight line basis over the lease term.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock.

RETIREMENT BENEFITS

The company operates a defined contribution scheme and contributes to a Director's Personal Pension Scheme. The assets of these schemes are held separately from the company and group in independently administered funds. Pension costs are charged to profit or loss in the year in which they become payable. Differences between contributions payable in the year and contributions actually paid are shown as accruals or prepayments.

FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the company and group becomes a party to the contractual provisions of the instrument and are only offset when the company and group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade group and other debtors

Trade group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 30 April 2018**

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company and group after deducting all of its liabilities.

Debt factoring

Debt factoring is presented within creditors: amounts falling due within one year.

Trade, group and other creditors

Trade, group and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

WARRANTY PROVISION

Provision is made for liabilities arising in respect of expected warranty claims on warranties provided in conjunction with the sale of goods. Provisions are recognised when the Company or Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

The provision is based on expected costs to be incurred over the next 3 to 10 years based on previous warranty claims.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Using the information available at the balance sheet date, the directors make judgements based on their experience on the level of impairment required for stock and trade debtors and the provision for future warranty costs. Further information received after the balance sheet date may impact on the level of provision.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the company and group as lessee.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

1 TURNOVER

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

2 INTEREST

Interest payable and similar charges	2018 £	2017 £
On debt factoring	83,898	89,248
Hire purchase interest	19,640	22,156
	103,538	111,404
 Interest receivable	 2018 £	 2017 £
On bank balances	-	16
	-	16

3 PROFIT/(LOSS) BEFORE TAXATION

	2018 £	2017 £
Profit/(Loss) is stated after charging:		
Amortisation of intangible assets	71,742	70,980
Depreciation of tangible assets – owned	244,790	214,076
Depreciation of tangible assets – held under hire purchase contracts	89,587	170,297
Loss on disposal of tangible assets	7,855	9,505
Operating lease rentals – other	659,432	661,980
Stock – amounts expensed to cost of sales	20,210,104	19,552,568
Auditor's remuneration		
- statutory audit of parent and consolidated accounts	17,500	16,700
- audit of subsidiaries	14,500	13,750
<i>Other services relating to taxation</i>		
- Compliance services	8,935	10,575
- Advisory services	1,500	2,300

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

4 DIRECTORS' EMOLUMENTS

	2018 £	2017 £
Emoluments	400,847	373,920
Group pension contributions to money purchase schemes	26,600	26,600
	<u>427,447</u>	<u>400,520</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	154,031	138,110
Pension contributions	<u>8,000</u>	<u>8,000</u>

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

5 EMPLOYEES

Number of employees

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

	2018 No.	2017 No.
Production and administration	<u>439</u>	<u>422</u>

Employment costs

	2018 £	2017 £
Wages and salaries	10,733,858	9,907,421
Social security costs	967,740	876,062
Other pension costs	90,214	79,448
	<u>11,791,812</u>	<u>10,862,931</u>

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

6 TAXATION

	2018 £	2017 £
UK Corporation tax		
Current tax on profit/(loss) for the year	67,307	-
Group relief receivable	-	(14,583)
Adjustment in respect of prior years	-	(5,468)
Current tax charge/(credit)	67,307	(20,051)
Deferred tax		
Origination and reversal of timing differences	(1,469)	(23,026)
Adjustment in respect of prior years	(12,243)	(326)
Tax on profit/(loss)	53,595	(43,403)
Factors affecting the tax charge/(credit) 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/(Loss) before taxation	70,059	(467,201)
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2017 – 19.92%)	13,311	(93,051)
Effects of:		
Non-deductible expenses	16,681	14,905
Fixed asset differences	2,535	-
Adjustments to previous periods	(12,243)	(5,794)
Non-deductible income	-	(7,354)
Group relief claimed	(807)	-
Losses carried back	-	9,426
Capital gains	33,943	37,463
Fixed asset timing differences	-	6,038
Tax charged at different rates	175	(5,036)
	40,284	49,648
Taxation charge/(credit) for the year	53,595	(43,403)

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

7 INTANGIBLE FIXED ASSETS

Group	Computer Software £	Goodwill £	Total £
<i>Cost</i>			
At 1 May 2017	33,560	2,629,264	2,662,824
Additions	17,707	-	17,707
At 30 April 2018	51,267	2,629,264	2,680,531
<i>Amortisation</i>			
At 1 May 2017	10,283	1,935,337	1,945,620
Charge for the year	9,677	62,065	71,742
At 30 April 2018	19,960	1,997,402	2,017,362
<i>Net book value</i>			
At 30 April 2018	31,307	631,862	663,169
At 30 April 2017	23,277	693,927	717,204
Company	Computer Software £	Goodwill £	Total £
<i>Cost</i>			
At 1 May 2017	-	1,202,947	1,202,947
Additions	14,297	-	14,297
At 30 April 2018	14,297	1,202,947	1,217,244
<i>Amortisation</i>			
At 1 May 2017	-	1,202,947	1,202,947
Charge for the year	793	-	793
At 30 April 2018	793	1,202,947	1,203,740
<i>Net book value</i>			
At 30 April 2018	13,504	-	13,504
At 30 April 2017	-	-	-

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

8 TANGIBLE FIXED ASSETS

Group	Leasehold property improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>					
At 1 May 2017	377,882	6,734,045	947,389	1,455,535	9,514,851
Additions	18,390	90,376	8,142	186,242	303,150
Disposals	-	-	(4,510)	(115,785)	(120,295)
At 30 April 2018	396,272	6,824,421	951,021	1,525,992	9,697,706
<i>Depreciation</i>					
At 1 May 2017	261,939	6,123,495	851,909	1,069,673	8,307,016
Disposals	-	-	(4,510)	(104,889)	(109,399)
Charge for the year	36,304	111,585	27,420	159,068	334,377
At 30 April 2018	298,243	6,235,080	874,819	1,123,852	8,531,994
<i>Net book value</i>					
At 30 April 2018	98,029	589,341	76,202	402,140	1,165,712
At 30 April 2017	115,943	610,550	95,480	385,862	1,207,835

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

Group	Leasehold property improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Net book value</i>					
At 30 April 2018	39,641	-	-	272,720	312,361
At 30 April 2017	54,986	22,646	-	245,803	323,435

At 30 April 2018, the group and company had contractual obligations to purchase motor vehicles for £nil (2017: £87,828).

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

8 TANGIBLE FIXED ASSETS (CONTINUED)

Company	Leasehold property improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Cost</i>					
At 1 May 2017	332,976	4,136,244	317,835	991,630	5,778,685
Additions	-	42,086	8,142	186,242	236,470
Disposals	-	-	-	(115,785)	(115,785)
At 30 April 2018	332,976	4,178,330	325,977	1,062,087	5,899,370
<i>Depreciation</i>					
At 1 May 2017	234,714	3,631,488	242,434	626,705	4,735,341
Charge for the year	24,958	76,169	18,438	140,724	260,289
On disposals	-	-	-	(104,889)	(104,889)
At 30 April 2018	259,672	3,707,657	260,872	662,540	4,890,741
<i>Net book value</i>					
At 30 April 2018	73,304	470,673	65,105	399,547	1,008,629
At 30 April 2017	98,262	504,756	75,401	364,925	1,043,344

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

	Leasehold property improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<i>Net book value</i>					
At 30 April 2018	39,641	-	-	272,720	312,361
At 30 April 2017	54,986	5,633	-	245,803	306,422

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

9 FIXED ASSETS INVESTMENTS

Company	Shares in subsidiary undertakings £
<i>Cost</i>	
At 1 May 2017 and at 30 April 2018	3,084,285
<i>Provisions for impairment</i>	
At 1 May 2017	1,635,415
Impairment losses	-
At 30 April 2018	1,635,415
<i>Carrying amount</i>	
At 30 April 2018	1,448,870
At 1 May 2017	1,448,870

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

Company	Registered office	Shares held Class	%
<i>Subsidiary undertakings</i>			
Asset Manufacturing Limited	△	Ordinary	100.00
A & B Glass Properties Limited	△	Ordinary	100.00
Coastal Windows Limited	△	Ordinary	100.00
Coastal Limited	△	Ordinary	100.00
John Fredericks Plastics Limited	△	Ordinary	100.00
Masterlite DG Limited	▲	Ordinary	100.00

△ The registered office of these companies is Addison Road, Chilton Industrial Estate, Subury, Suffolk, CO10 2YW, England

▲ The registered office of this company is Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk IP32 7FA, England

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 subsidiary undertakings listed above have not traded throughout the year, and under S394A and S448A of the Companies Act 2006 are exempt from preparing and filing individual accounts. These companies, along with Masterlite DG Limited, have taken exemption in section 479A of the Companies Act 2006 from the requirements in the Act for their individual accounts to be audited.

An impairment of the carrying value of the investment in Masterlite DG Limited was recognised in the prior year as a result of that company entering voluntary dissolution during the year.

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

10 STOCKS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Raw materials	961,515	1,190,194	489,074	590,865
Work in progress	384,535	331,498	170,176	158,063
Finished goods and goods for resale	237,633	231,753	163,539	213,768
	<u>1,583,683</u>	<u>1,753,445</u>	<u>822,789</u>	<u>962,696</u>

11 DEBTORS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	9,060,734	7,829,361	7,601,700	6,562,035
Amounts owed by parent company	2,144,852	2,083,709	2,144,852	2,290,726
Prepayments and accrued income	621,475	530,928	485,582	474,007
Corporation tax due to subsidiary	9,465	9,465	-	-
Other debtors	46,727	106,652	46,727	106,652
	<u>11,883,253</u>	<u>10,560,115</u>	<u>10,278,861</u>	<u>9,433,420</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Debt factoring (secured)	4,142,308	3,565,272	3,332,108	3,017,547
Obligations under hire purchase contracts	119,758	139,437	119,758	120,123
Trade creditors	5,027,239	4,672,059	3,685,680	3,226,740
Amounts owed to subsidiary undertakings	-	-	181,302	612,258
Amounts owed to parent company	65,917	-	-	-
Accruals and deferred income	573,104	468,340	376,085	302,959
Corporation tax owed by parent	67,307	-	67,307	-
Other taxes and social security costs	568,283	599,231	321,353	262,960
Other creditors	24,626	15,370	24,626	14,490
	<u>10,588,542</u>	<u>9,459,709</u>	<u>8,108,219</u>	<u>7,557,077</u>

The debt factoring 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 company and group's obligations under finance leases are secured by the lessor's charge over the leased assets. The net book value of the secured assets is disclosed in note 8.

A. & B. Glass Company Limited**NOTES TO THE FINANCIAL STATEMENTS**
For the year ended 30 April 2018**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Obligations under hire purchase contracts	137,743	136,549	137,743	136,549
	137,743	136,549	137,743	136,549
Net obligations under hire purchase contracts				
	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Repayable within one year	119,758	139,437	119,758	120,123
Repayable between one and five years	137,743	136,549	137,743	136,549
	257,501	275,986	257,501	256,672

14 FINANCIAL INSTRUMENTS

The carrying amounts of the Group and Company's financial instruments at 30 April were:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Financial assets -				
Debt instruments measured at amortised cost	11,252,313	9,913,070	9,793,279	8,852,761
Financial liabilities -				
Measured at amortised cost	10,090,695	8,997,027	7,857,302	7,430,666

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

15 PROVISIONS FOR LIABILITIES AND CHARGES

	← Group →			← Company →		
	Deferred tax liability £	Other provision £	Total £	Deferred tax liability £	Other Provision £	Total £
Balance at 1 May 2017	105,042	145,553	250,595	102,754	113,796	216,550
Profit and loss account transfer	(13,712)	4,710	(9,002)	(18,607)	4,710	(13,897)
At 30 April 2018	91,330	150,263	241,593	84,147	118,506	202,653

The other provision represents a warranty provision of £150,263 (2017: £145,553) in respect of the group and £118,506 (2017: £113,796) 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.

The deferred tax liability relates to accelerated capital allowances.

16 RETIREMENT BENEFITS

The group operates defined contribution pension schemes for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the group in an independently administered fund. The contributions payable by the group charged to profit or loss amounted to £90,214 (2017: £79,448). Contributions totalling £34,623 (2017: £18,368) were payable to the fund at the year end and are included in creditors.

17 SHARE CAPITAL

	2018 £	2017 £
<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 TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

18 COMMITMENTS UNDER OPERATING LEASES

As a lessee

As at 30 April 2018, the company and group were committed to making the following payments as a lessee under non-cancellable, non-property, operating leases as follows:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts due within one year	173,902	136,977	70,437	45,366
Between one and five years	280,030	259,660	113,589	30,046
	453,932	396,637	184,026	75,412

As at 30 April 2018, the company and group were committed to making the following payments as a lessee under non-cancellable, property, operating leases as follows:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts due within one year	495,501	515,000	318,001	345,000
Between one and five years	1,459,500	2,060,000	927,000	1,380,000
	1,955,001	2,575,000	1,245,001	1,725,000

As a lessor

As at 30 April 2018, the company had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts receivable within one year	9,218	60,000	9,218	60,000
Between one and five years	-	135,000	-	135,000
	9,218	195,000	9,218	195,000

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

19 BORROWINGS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Creditors: amounts falling due within one year:				
Debt factoring	4,142,308	3,565,272	3,332,108	3,017,547
Hire purchase liabilities	119,758	139,437	119,758	120,123
	4,262,066	3,704,709	3,451,866	3,137,670
Creditors: amounts falling due after more than one year:				
Hire purchase liabilities	137,743	136,549	137,743	136,549
	137,743	136,549	137,743	136,549
Total	4,399,809	3,841,258	3,589,609	3,274,219

Debt factoring is secured by a fixed and floating charge on all assets of the company. The average interest rate on the debt factoring was 1.75%, based on Lloyds Bank base rate plus 1.25%

20 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.

21 RELATED PARTY TRANSACTIONS

The company has taken advantage of exemptions in relation to the disclosure of transactions with 100% owned group companies where consolidated accounts have been prepared.

The total remuneration of the directors who are considered to be the key management personnel of the group was £448,867 (2017: £440,534), including employer's national insurance of £42,118 (2017: £40,014).

A. & B. Glass Company Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 2018

22 RECONCILIATION OF LOSS/PROFIT AFTER TAX TO NET CASH (ABSORBED)/GENERATED FROM OPERATIONS

Cash (absorbed)/generated from operations	2018 £	2017 £
Profit/(loss) for the year	16,464	(423,798)
Adjustments for:		
Corporation tax (credit)/expense	53,595	(43,403)
Corporation tax group relief	-	14,583
Finance costs	103,538	111,404
Investment income	-	(16)
Loss on sale of fixed assets	7,855	9,505
Increase/(decrease) in other provisions	4,710	27,417
Depreciation of tangible fixed assets	334,377	384,373
Amortisation of intangible assets	71,742	70,980
Operating cash flows before movement in working capital	592,281	151,045
Movement in working capital:		
Decrease/(Increase) in stocks	169,762	(123,995)
Increase in debtors	(1,323,138)	(62,718)
Increase in creditors	504,169	273,994
Cash (absorbed)/generated from operations	(56,926)	238,326

23 CONTINGENT LIABILITIES

Under a group registration the company is jointly and severally liable for value added tax with its subsidiary John Fredericks Plastics Limited, and parent companies. At 30 April 2018 the liability was £115,991 (2017: £138,218).