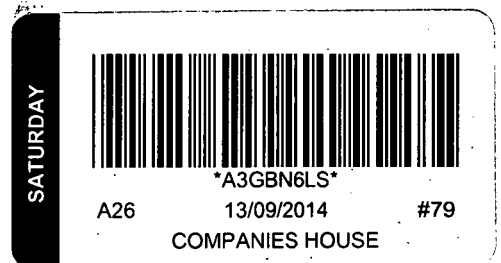


**BOWATER BUILDING PRODUCTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

Company Registration Number 05088708



BOWATER BUILDING PRODUCTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2 to 3
Directors' report	4 to 5
Independent auditor's report to the members	6 to 7
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10 to 18

BOWATER BUILDING PRODUCTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2013

The board of directors

D A Jones
G Fitton
C Torley

Business address

Water Orton Lane
Minworth
Sutton Coldfield
West Midlands
B76 9BW

Registered office

Farrington Road
Rossendale Road Industrial Estate
Burnley
Lancashire
BB11 5DA

Auditor

Baker Tilly UK Audit LLP
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

Bankers

HSBC
2-4 St Ann's Square
Manchester
M2 7HD

Solicitors

Brabners Chaffe Street
Brook House
77 Fountain Street
Manchester
M2 2EE

BOWATER BUILDING PRODUCTS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2013

Review of the business

Prior to 2013 the company's activities also included the extrusion, lamination and sale of PVC profiles and ancillaries into the UK window market through its Halo trading division. The trade and assets of the Halo division were transferred to VEKA plc in 2012. During 2012 significant one off costs were incurred during the restructuring period and as a result a large operating loss was incurred.

The remaining activities of the company are carried out in two trading divisions - Bowater Doors and Bowater Projects.

In recent years Bowater Doors has been re-positioning itself in the market place and now specialises in high value added products such as its market leading Double Rebate door. During 2013 it relocated to the former Halo site at Minworth, Birmingham.

Bowater Projects is a well established player in the commercial sector and has a number of very strong business relationships based on its excellent record on contract delivery. By refocusing on its core strengths the division has eliminated its operating losses.

The recovery of the UK economy and growth in the market should improve trading conditions in the coming year. The Directors believe the company is in a good position to operate very successfully in the UK market for the long term.

Matters of strategic importance

The company continues to focus on providing high value added products and a first class service to its customer base.

Performance and development during the year

The company operates a range of KPIs covering all the key aspects of its operations including customer satisfaction, product quality and financial performance.

The directors monitor performance through the use of detailed annual budgets and forecasts that cover all the trading divisions in the company and monitoring of actual performance against these budgets.

Key performance indicators:

	2013	2012
	£000	£000
Turnover - continuing operations	13,301	12,995
Operating profit/(loss) - continuing operations	277	(1,591)

The directors are satisfied with the performance of the business during the year.

Principal risks and uncertainties

The company's operations are financed by way of the group's treasury operations and it does not have any external funding.

The management's financial risk management objective is to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due.

The directors have assessed the main risks facing the company as being:

- > Raw material price;
 - > Competitive pressures; and
 - > Payment default by customers.
-

BOWATER BUILDING PRODUCTS LIMITED

STRATEGIC REPORT *(continued)*

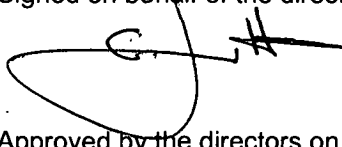
YEAR ENDED 31 DECEMBER 2013

The company establishes long term partnership arrangements with suppliers with whom they work to manage raw material price volatility.

The risk from competitive pressures is managed by building strong partnerships with customers and providing them with the highest standards of quality and service.

The company works closely with its customers to mitigate potential payment default and, where it is available, utilise credit insurance.

Signed on behalf of the directors



G Fitton

Director

Approved by the directors on 27/8/14

BOWATER BUILDING PRODUCTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

Principal activities

The principal activities of the company are the manufacture and sale of Composite Doors and contracting for the installation of windows and doors. These activities are carried out by the trading divisions, Bowater Doors and Bowater Projects.

Results and dividends

The profit for the year amounted to £277,000. The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

D A Jones
G Fitton
C Torley

Policy on the payment of creditors

The company's policy is to agree settlement terms with its suppliers and then to abide by those terms. This policy will continue for the forthcoming year. The average non-group creditor payment period of the company at 31 December 2013 was 60 days (2012 - 62 days).

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

BOWATER BUILDING PRODUCTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Strategic report

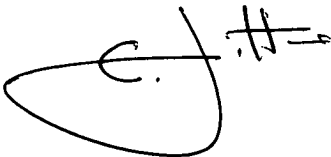
The following information that was previously included in the directors' report is now in the strategic report:

- Review of the business
- Performance and development during the year including key performance indicators
- Principle risks and uncertainties.

Auditor

Baker Tilly UK Audit LLP were appointed as auditors during the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



G Fitton

Director

Approved by the directors on 27/8/14

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOWATER BUILDING PRODUCTS LIMITED

We have audited the financial statements of Bowater Building Products Limited for the year ended 31 December 2013 on pages 8 to 18. 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 members, as a body, 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 members those matters we are required to state to them 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor.

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 to 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BOWATER BUILDING PRODUCTS LIMITED (CONTINUED)**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Eric Solomons, Senior Statutory Auditor
For and on behalf of

Baker Tilly UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

10/9/14.....

BOWATER BUILDING PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2013

	Note	£000	2013 £000	£000	2012 £000
Turnover					
Continuing operations		13,301		12,995	
Discontinued operations		<u>—</u>		<u>21,933</u>	
			13,301		34,928
Cost of sales	2		(11,418)		(34,876)
Gross profit			<u>1,883</u>		<u>52</u>
Net operating expenses	2		(1,606)		(5,380)
Operating profit/(loss):	4				
Continuing operations		277		(1,591)	
Discontinued operations		<u>—</u>		<u>(3,737)</u>	
			277		(5,328)
Profit/(loss) on ordinary activities before taxation			<u>277</u>		<u>(5,328)</u>
Tax on profit/(loss) on ordinary activities	6		—		—
Profit/(loss) for the financial year			<u>277</u>		<u>(5,328)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 18 form part of these financial statements.

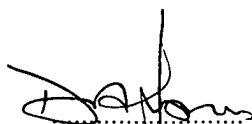
BOWATER BUILDING PRODUCTS LIMITED

Registered Number 05088708

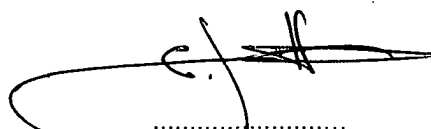
BALANCE SHEET**31 DECEMBER 2013**

	Note	£000	2013 £000	2012 £000
Fixed assets				
Tangible assets	7		134	221
Current assets				
Stocks	8	1,309		1,158
Debtors	9	3,797		2,865
Cash at bank		570		581
		<u>5,676</u>		<u>4,604</u>
Creditors: Amounts falling due within one year	10	<u>(5,706)</u>		<u>(4,583)</u>
Net current (liabilities)/assets			(30)	21
Total assets less current liabilities			<u>104</u>	<u>242</u>
Provisions for liabilities				
Other provisions	13		<u>(43)</u>	<u>(458)</u>
			<u>61</u>	<u>(216)</u>
Capital and reserves				
Share capital	17		-	-
Share premium account	18		13,600	13,600
Profit and loss account	19		(13,539)	(13,816)
Shareholders' funds	20		<u>61</u>	<u>(216)</u>

These accounts were approved by the directors and authorised for issue on 27/8/14, and are signed on their behalf by:



D A Jones



G Fitton

The notes on pages 10 to 18 form part of these financial statements.

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

Basis of accounting

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

Basis of preparation

At the year end the company had net current liabilities of £160,000 (2012 - £31,000). The company receives financial support from both its parent company VEKA plc and its ultimate parent company VEKA AG to meet its liabilities as they fall due. Both companies have indicated that support will continue to be provided for the foreseeable future. The directors consider it appropriate to prepare the financial statements on the going concern basis.

Cash flow statement

The company has used the exemption under Finance Reporting Standard 1, "Cash Flow Statements", and has therefore not prepared a cashflow statement. A consolidated cash flow statement is included in the financial statements of the ultimate parent company.

Related parties transactions

The group has taken advantage of the exemption available under paragraph 3c of Financial Reporting Standard 8, allowing non-disclosure of transactions between group undertakings.

Turnover

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover is measured at the fair value of consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods.

For long term contracts, turnover represents the value of work done in the year and is determined by reference to the stage of completion of each contract.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold Property	-	life of lease
Plant & Machinery	-	10% to 33.3% per annum straight line
Fixtures & Fittings	-	20% to 33.3% per annum straight line

BOWATER BUILDING PRODUCTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

1. Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Raw materials, consumables and goods for resale purchase are included at cost on a first in, first out basis.

Finished goods are included at cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred prior to completion and disposal.

Work in progress and contract accounting

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity.

For long term contracts, profit is recognised by reference to the stage of completion of each contract where there is reasonably certainty that the contract will be profitable. Where the outcome of the contract cannot be established with reasonable certainty, no profit is recognised. Foreseeable losses are provided for in full at the point at which the loss is anticipated.

Where amounts invoiced exceed the value of work done, the excess is accounted for as payments received on account and is included within creditors. Where the value of work done exceeds the amounts invoiced, the excess is accounted for as amounts recoverable on contracts and is included within debtors.

Operating lease agreements

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs

The company operates a money purchase pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1. Accounting policies (continued)

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions.

Monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the year end.

Non-monetary assets and liabilities and transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the date of the transactions, or at an average rate for the period if the rates do not fluctuate significantly.

All exchange differences are taken to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

2. Analysis of cost of sales and net operating expenses

	Continuing operations £000	Discontinued operations £000	Total £000
Year ended 31 December 2013			
Turnover	13,301	-	13,301
Cost of sales	11,418	-	11,418
Gross profit	<u>1,883</u>	<u>-</u>	<u>1,883</u>
Distribution costs	370	-	370
Administrative expenses	2,236	-	2,236
Other operating income (Note 3)	(1,000)	-	(1,000)
Net operating expenses	<u>1,606</u>	<u>-</u>	<u>1,606</u>
Operating profit	<u>277</u>	<u>-</u>	<u>277</u>

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

2. Analysis of cost of sales and net operating expenses *(continued)*

	Continuing operations £000	Discontinued operations £000	Total £000
Year ended 31 December 2012			
Turnover	12,995	21,933	34,928
Cost of sales	11,805	23,071	34,876
Gross profit/(loss)	<u>1,190</u>	<u>(1,138)</u>	<u>52</u>
Distribution costs	562	1,795	2,357
Administrative expenses	2,219	2,304	4,523
Other operating income (Note 3)	-	(1,500)	(1,500)
Net operating expenses	<u>2,781</u>	<u>2,599</u>	<u>5,380</u>
Operating loss	<u>(1,591)</u>	<u>(3,737)</u>	<u>(5,328)</u>

3. Other operating income

	2013 £000	2012 £000
Rent receivable	-	250
Recharge of costs	-	1,250
Other operating income	<u>1,000</u>	<u>-</u>
	<u>1,000</u>	<u>1,500</u>

4. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	2013 £000	2012 £000
Depreciation of owned fixed assets	121	1,438
Profit on disposal of fixed assets	(18)	(55)
Operating lease costs:		
-Plant and machinery	95	543
-Other	179	602
Auditor's remuneration - audit of the financial statements	12	26
Auditor's remuneration - other fees	<u>5</u>	<u>6</u>
	<u>2013 £000</u>	<u>2012 £000</u>
Auditor's remuneration - audit of the financial statements	<u>12</u>	<u>26</u>
Auditor's remuneration - other fees:		
- Taxation compliance services	<u>5</u>	<u>6</u>

BOWATER BUILDING PRODUCTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2013****5. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to:

	2013	2012
	No	No
Number of production staff	40	129
Number of administrative staff	28	41
	<u>68</u>	<u>170</u>

The aggregate payroll costs of the above were:

	2013	2012
	£000	£000
Wages and salaries	1,822	6,600
Social security costs	165	676
Other pension costs	25	217
	<u>2,012</u>	<u>7,493</u>

6. Taxation on ordinary activities**Factors affecting current tax charge**

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23.25% (2012 - 24%).

	2013	2012
	£000	£000
Profit/(loss) on ordinary activities before taxation	<u>277</u>	<u>(5,328)</u>
Profit/(loss) on ordinary activities by rate of tax	64	(1,279)
Effects of:		
Expenses not deductible for tax purposes	4	3
Depreciation in excess of capital allowances	24	330
Transfer of tax losses	-	644
Unrelieved tax losses	137	332
Other timing differences	3	(30)
Income not taxable	<u>(232)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

At 31 December 2013, there are corporation tax losses of approximately £3.4m (2012 - £2.8m) which are available for set-off against future taxable profits of the same trade.

Reductions in the UK Corporation Tax rate from 23% to 21% for the tax year 2014/15 and to 20% for the tax year 2015/16 were substantively enacted on 2 July 2013. This will reduce the company's future tax charge accordingly and the deferred tax balance as at 31 December 2013 has been calculated at this reduced rate.

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

7. Tangible fixed assets

	Plant & Machinery £000
Cost	
At 1 January 2013	1,412
Additions	34
Disposals	(119)
At 31 December 2013	<u>1,327</u>
Depreciation	
At 1 January 2013	1,191
Charge for the year	121
On disposals	(119)
At 31 December 2013	<u>1,193</u>
Net book value	
At 31 December 2013	<u>134</u>
At 31 December 2012	<u>221</u>

8. Stocks

	2013 £000	2012 £000
Raw materials	733	796
Finished goods	4	1
Long term contract balances	572	361
	<u>1,309</u>	<u>1,158</u>

9. Debtors

	2013 £000	2012 £000
Trade debtors	2,027	1,540
Amounts recoverable on contracts	1,704	1,167
Other debtors	3	-
Prepayments and accrued income	63	158
	<u>3,797</u>	<u>2,865</u>

Included in trade debtors is an amount of £130,000 which is due after more than one year (2012 - £52,000).

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

10. Creditors: Amounts falling due within one year

	2013	2012
	£000	£000
Trade creditors	1,213	1,392
Amounts owed to group undertakings	3,599	2,475
VAT	171	195
Other creditors	—	5
Accruals and deferred income	723	516
	<u>5,706</u>	<u>4,583</u>

11. Pensions

The company operates a money purchase pension scheme. Amounts due to the scheme at the year end were £Nil (2012 - £Nil).

12. Deferred taxation

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows:

	2013	2012
	£000	£000
Excess of taxation allowances over depreciation on fixed assets	235	234
Tax losses available	717	645
Other timing differences	16	12
	<u>968</u>	<u>891</u>

The deferred tax asset has not been recognised, as the balance is not expected to crystallise, and thus benefit current tax charges, in the foreseeable future.

BOWATER BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

13. Other provisions

	2013 £000
Property closure:	
Balance brought forward	404
Movement for year	(404)
	<u>-</u>
Warranty:	
Balance brought forward	54
Movement for year	(11)
	<u>43</u>

Property Closure

Provision is made for anticipated costs likely to be incurred under the terms of the various leases, until such time as the leases expire or may be assigned. These costs are expected to be incurred over periods up to the next four years.

The movement in the year comprises the transfer of provisions to VEKA plc £404,000.

Warranty

Some of the Group's manufactured products are sold with a performance warranty for up to ten years from the date of sale or installation. Provision is made for the estimated cost of this commitment based on historic claims experience.

The movement in the year comprises the utilisation of provisions brought forward of £54,000 together with new provisions in the year of £43,000.

14. Commitments under operating leases

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	2013		2012	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire:				
Within 1 year	-	10	-	25
Within 2 to 5 years	170	44	605	67
After more than 5 years	-	-	170	-
	<u>170</u>	<u>54</u>	<u>775</u>	<u>92</u>

15. Contingencies

As at 31 December 2013 the company together with its parent undertaking are party to cross guarantees under group banking arrangements with HSBC Bank plc. At 31 December 2013, the liabilities covered by this guarantee were £8,690,000 (2012: £6,765,000).

BOWATER BUILDING PRODUCTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

16. Related party transactions

The group has taken advantage of the exemption available under paragraph 3c of Financial Reporting Standard 8, allowing non-disclosure of transactions between group undertakings.

17. Share capital

Authorised share capital:

	2013	2012
	£000	£000
4 Ordinary share of £1 each	-	-
	<u> </u>	<u> </u>

Allotted, called up and fully paid:

	2013		2012	
	No	£000	No	£000
Ordinary shares of £1 each	4	-	4	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. Share premium account

There was no movement on the share premium account during the financial year.

19. Profit and loss account

	2013	2012
	£000	£000
Balance brought forward	(13,816)	(8,488)
Profit/(loss) for the financial year	277	(5,328)
Balance carried forward	<u>(13,539)</u>	<u>(13,816)</u>

20. Reconciliation of movements in shareholders' funds

	2013	2012
	£000	£000
Profit/(loss) for the financial year	277	(5,328)
Opening shareholders' (deficit)/funds	(216)	5,112
Closing shareholders' funds/(deficit)	<u>61</u>	<u>(216)</u>

21. Ultimate parent company

At December 31 2013 the company's immediate parent company was VEKA plc and its ultimate parent was VEKA AG, a company registered in Germany. Copies of the financial statements of VEKA AG are available from the company's registered office.

22. Ultimate controlling party

As at 31 December 2013 the ultimate controlling party was E Hartleif.