



**NICHOLLS & CLARKE  
GLASS LIMITED**

**Financial statements  
31 December 2001**

# NICHOLLS & CLARKE GLASS LIMITED

## Directors' Report for the year ended 31 December 2001

The directors present their report and financial statements for the year ended 31 December 2001 which were approved on 19 April 2002.

### Review of the business

The principal activity of the company was the sale and distribution of glass and glass related products.

The results for the year were satisfactory. The directors have confidence in the future of the company.

### Dividends

The directors recommend the payment of a dividend of £300,000 (2000- £600,000).

### Directors

The directors who served during the year were:

K.S.A. Forbes (Chairman)  
S.A. Forbes, B.A. (Hons) (Managing Director)  
R.D. Knight, A.C.I.S.

The director retiring by rotation in accordance with the articles of association is S A Forbes who, being eligible, offers himself for re-election.

### Directors' interests

The directors had no interest in the shares of the company throughout the year. The interests of K.S.A. Forbes, S.A. Forbes, and R.D. Knight in the parent company are given in the directors' report of that company.

### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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 Companies Act 1985. 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.

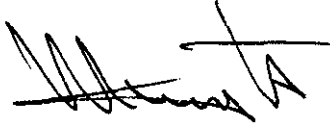
# NICHOLLS & CLARKE GLASS LIMITED

## Directors' Report for the year ended 31 December 2001

### Auditors

A resolution concerning the reappointment of Chantrey Vellacott DFK as auditors will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



R.D. KNIGHT

Secretary

Date: 19 April 2002

Chantrey Vellacott DFK

# NICHOLLS & CLARKE GLASS LIMITED

## Independent Auditors' Report to the shareholders of Nicholls & Clarke Glass Limited

We have audited the financial statements of Nicholls & Clarke Glass Limited for the year ended 31 December 2001 which are set out on pages 4 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

### Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
CHANTREY VELLACOTT DFK

Chartered Accountants  
Registered Auditors  
London

19 April 2002

Chantrey Vellacott DFK

# NICHOLLS & CLARKE GLASS LIMITED

## Profit and loss account for the year ended 31 December 2001

	Notes	2001 £	2000 £
<b>Turnover</b>	2	<b>14,309,407</b>	14,348,359
<b>Cost of sales</b>		<b>(8,083,753)</b>	(8,121,646)
		<hr/>	<hr/>
Gross profit		<b>6,225,654</b>	6,226,713
Distribution and selling costs		<b>(1,365,927)</b>	(1,410,217)
Administrative expenses		<b>(4,218,802)</b>	(4,029,212)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	3	<b>640,925</b>	787,284
Tax on profit on ordinary activities	4	<b>(160,538)</b>	(249,479)
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		<b>480,387</b>	537,805
Retained profit brought forward		<b>148,103</b>	210,298
		<hr/>	<hr/>
		<b>628,490</b>	748,103
Dividends		<b>(300,000)</b>	(600,000)
		<hr/>	<hr/>
<b>Retained profit carried forward</b>		<b>328,490</b>	148,103
		<hr/>	<hr/>

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 6 to 10 form part of these financial statements.

# NICHOLLS & CLARKE GLASS LIMITED

## Balance sheet as at 31 December 2001

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	5	<u>1,074,208</u>	<u>832,108</u>
<b>Current assets</b>			
Stocks	6	825,727	757,843
Debtors	7	5,704,171	6,534,370
Cash in hand		1,779	1,595
		<u>6,531,677</u>	<u>7,293,808</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>6,975,895</u>	<u>7,376,313</u>
Proposed dividend		300,000	600,000
		<u>7,275,895</u>	<u>7,976,313</u>
<b>Net current liabilities</b>		<u>(744,218)</u>	<u>(682,505)</u>
<b>Net assets</b>		<u>329,990</u>	<u>149,603</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,500	1,500
Profit and loss account		328,490	148,103
<b>Shareholders' funds</b>	11	<u>329,990</u>	<u>149,603</u>

Approved by the Board of Directors on 19 April 2002

K.S.A. FORBES

S.A. FORBES

Directors

The notes on pages 6 to 10 form part of these financial statements.

# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2001

### 1. Accounting policies

#### a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

#### b) Depreciation of tangible fixed assets

Depreciation is charged on tangible fixed assets so as to write off their full cost, less estimated residual values, over their expected useful lives at the following rates:-

Leasehold improvements	- 4 - 25% of cost per annum
Plant and machinery	- 5 - 20% of cost per annum
Equipment	- 10 - 25% of cost per annum
Motor vehicles	- 15 - 25% of cost per annum

#### c) Stocks

Stocks are valued at the lower of cost and net realisable value.

#### d) Taxation

Deferred taxation is provided under the liability method in respect of all timing differences between profits as computed for taxation purposes and the profit as stated in the financial statements to the extent that it is probable that a liability or asset will crystallise. The rate of tax is that which is expected to be applied when the liability or asset is expected to crystallise.

#### e) Leasing

Rentals payable on assets held under operating leases are charged to revenue as incurred.

#### f) Pensions

The company provides a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. Contributions to this scheme are charged to the profit and loss account as they become payable.

### 2. Turnover

Turnover represents the amount invoiced for goods sold during the year and is exclusive of VAT. All sales were to the United Kingdom market and were of glass and glass related products.

# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2001

<b>3. Profit on ordinary activities before taxation</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>a) Profit on ordinary activities is stated after charging/(crediting):</b>		
Depreciation	190,917	172,816
Auditors' remuneration	27,388	20,000
Operating lease rentals of land and buildings	322,642	342,881
Operating lease rentals on motor cars and equipment	172,077	177,556
(Profit)/loss on sale of tangible fixed assets	(1,053)	4,798
	<u>2001</u>	<u>2000</u>
	<b>£</b>	<b>£</b>
<b>b) Employee information (including directors)</b>		
Employee costs during the year were:		
Wages and salaries	2,491,795	2,377,311
Social security costs	208,411	198,856
Other pension costs	41,570	39,373
	<u>2,741,776</u>	<u>2,615,540</u>
	<b>2001</b>	<b>2000</b>
		<b>Number</b>
The average number of persons employed during the year was:		
Selling and distribution	112	102
Administration	41	49
	<u>153</u>	<u>151</u>
	<b>153</b>	<b>151</b>
<b>c) Operating lease commitments in the year ending 31 December 2001</b>	<b>£</b>	
Operating lease rentals payable on equipment and motor cars:		
On leases expiring between 2003 and 2006	11,092	
On leases expiring after 2006	42,200	
	<u>53,292</u>	
Operating lease rentals payable on land and buildings		
On leases expiring between 2003 and 2006	76,833	
On leases expiring after 2006	242,428	
	<u>319,261</u>	



# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2001

4.	<b>Tax on profit on ordinary activities</b>	<b>2001</b>	<b>2000</b>
		£	£
	Overprovision in prior years	(11,994)	(521)
	Corporation tax for the year at 30% (2000 – 30%)	172,532	250,000
		<u>160,538</u>	<u>249,479</u>

5.	<b>Tangible fixed assets</b>	<b>Plant, machinery and equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>Leasehold improvements</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>			
	At 1 January 2001	362,978	1,132,650	2,179,199
	Additions	6,969	331,412	433,017
	Disposals	-	(27,419)	(27,419)
	At 31 December 2001	<u>369,947</u>	<u>750,788</u>	<u>2,584,797</u>
	<b>Depreciation</b>			
	At 1 January 2001	115,204	638,407	1,347,091
	Charge for the year	20,087	51,962	190,917
	Disposals	-	(27,419)	(27,419)
	At 31 December 2001	<u>135,291</u>	<u>618,023</u>	<u>1,510,589</u>
	<b>Net book value</b>			
	At 31 December 2001	<u>234,656</u>	<u>132,765</u>	<u>1,074,208</u>
	At 31 December 2000	<u>247,774</u>	<u>90,091</u>	<u>832,108</u>

### 6. Stocks

Stocks consist solely of goods for resale.

# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2001

7.	<b>Debtors</b>	<b>2001</b>	<b>2000</b>
		£	£
	Trade debtors	2,848,103	2,912,033
	Amounts owed by group undertakings	2,659,950	3,475,940
	Prepayments	196,118	146,397
		<u>5,704,171</u>	<u>6,534,370</u>
8.	<b>Creditors: amounts falling due within one year</b>	<b>2001</b>	<b>2000</b>
		£	£
	Bank overdraft	590,668	688,786
	Trade creditors	699,932	700,461
	Amounts owed to group undertakings	5,262,419	5,466,674
	Corporation tax	99,932	104,041
	Other taxes and social security costs	157,957	240,600
	Accruals	164,987	175,751
		<u>6,975,895</u>	<u>7,376,313</u>
9.	<b>Called up share capital</b>	<b>2001</b>	<b>2000</b>
		£	£
	Authorised, allotted and fully paid		
	Ordinary shares of £1 each	<u>1,500</u>	<u>1,500</u>
10.	<b>Contingent liabilities</b>		
	The company participates in a group registration for VAT purposes and whilst each company takes up its own liability this company is contingently liable for the unpaid VAT of all other group companies. That contingency amounted to £4,254,886 at 31 December 2001 (2000 - £175,444). In addition the company has entered into an unlimited cross guarantee in favour of National Westminster Bank plc in respect of borrowings from the bank by other group companies. The contingent liability in respect of this at 31 December 2001 was £684,174 (2000 - £1,936,360).		

# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2001

11. Reconciliation of movement in shareholders' funds	2001 £	2000 £
Profit for the financial year	480,387	537,805
Dividends	(300,000)	(600,000)
Net increase/(decrease) in shareholders' funds	180,387	(62,195)
Opening shareholders' funds	149,603	211,798
Closing shareholders' funds	329,990	149,603

### 12. Ultimate parent company

The ultimate parent company is Nicholls & Clarke Limited, which is registered in England.