

Chantrey Vellacott DFK



**NICHOLLS & CLARKE  
GLASS LIMITED**

**Financial statements  
31 December 2000**

# NICHOLLS & CLARKE GLASS LIMITED

## Directors' Report for the year ended 31 December 2000

The directors present their report and financial statements for the year ended 31 December 2000 which were approved on 20 April 2001.

### 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 £600,000 (1999 - £500,000).

### 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 Mr K.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 2000

### 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: 20 April 2001

Chantrey Vellacott DFK

# NICHOLLS & CLARKE GLASS LIMITED

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

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with 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 affairs of the company at 31 December 2000 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

Date: 20 April 2001

# NICHOLLS & CLARKE GLASS LIMITED

## Profit and loss account for the year ended 31 December 2000

	Notes	2000 £	1999 £
Turnover	2	14,348,359	13,127,793
Cost of sales		(8,121,646)	(7,439,988)
Gross profit		6,226,713	5,687,805
Distribution and selling costs		(2,808,393)	(2,933,679)
Administrative expenses		(2,631,036)	(2,105,626)
<b>Profit on ordinary activities before taxation</b>	3	787,284	648,500
Tax on profit on ordinary activities	4	(249,479)	(176,111)
<b>Profit on ordinary activities after taxation</b>		537,805	472,389
Retained profit brought forward		210,298	237,909
		748,103	710,298
Dividends		(600,000)	(500,000)
<b>Retained profit carried forward</b>		148,103	210,298

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 2000

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	5	<u>832,108</u>	<u>813,593</u>
<b>Current assets</b>			
Stocks	6	757,843	677,916
Debtors	7	6,534,370	5,265,330
Cash in hand		1,595	1,957
		<u>7,293,808</u>	<u>5,945,203</u>
<b>Creditors: amounts falling due within one year</b>	8	7,376,313	6,046,998
Proposed dividend		600,000	500,000
		<u>7,976,313</u>	<u>6,546,998</u>
<b>Net current liabilities</b>		<u>(682,505)</u>	<u>(601,795)</u>
<b>Net assets</b>		<u>149,603</u>	<u>211,798</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,500	1,500
Profit and loss account		148,103	210,298
		<u>149,603</u>	<u>211,798</u>
<b>Shareholders' funds</b>	11	<u>149,603</u>	<u>211,798</u>

Approved by the Board of Directors on 20 April 2001

K.S.A. FORBES

S.A. FORBES

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) Directors  
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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 2000

### 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 &amp; CLARKE GLASS LIMITED

Notes to the financial statements  
For the year ended 31 December 2000

3.	Profit on ordinary activities before taxation	2000 £	1999 £
a)	Profit on ordinary activities is stated after charging/(crediting):		
	Depreciation	172,816	197,334
	Auditors' remuneration	20,000	20,000
	Operating lease rentals of land and buildings	942,881	326,878
	Operating lease rentals on motor cars and equipment	177,556	141,141
	Loss/(profit) on sale of tangible fixed assets	4,798	(2,508)

The directors received remuneration from other group companies for their services to those companies.

	2000 £	1999 £
b) <b>Employee information</b> (including directors)		
Employee costs during the year were:		
Wages and salaries	2,377,311	2,200,729
Social security costs	198,856	190,056
Other pension costs	39,373	33,420
	<u>2,615,540</u>	<u>2,424,205</u>
	2000	1999
	Number	
The average number of persons employed during the year was:		
Selling and distribution	102	102
Administration	49	43
	<u>151</u>	<u>145</u>

c) **Operating lease commitments in the year ending 31 December 2001**

	£
Operating lease rentals payable on equipment and motor cars:	
On leases expiring between 2002 and 2005	17,575
On leases expiring after 2005	<u>48,149</u>



# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements For the year ended 31 December 2000

4.	<b>Tax on profit on ordinary activities</b>	<b>2000</b>	<b>1999</b>
		£	£
	Overprovision in prior years	(521)	(9,484)
	Corporation tax for the year at 30% (1999 – 30.25%)	250,000	185,595
		<u>249,479</u>	<u>176,111</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 2000	325,257	1,063,594	608,017	1,996,868
	Additions	37,721	69,056	98,652	205,429
	Disposals	-	-	(23,098)	(23,098)
	At 31 December 2000	<u>362,978</u>	<u>1,132,650</u>	<u>683,571</u>	<u>2,179,191</u>
	<b>Depreciation</b>				
	At 1 January 2000	95,717	535,960	551,598	1,183,275
	Charge for the year	19,487	102,447	50,882	172,816
	Disposals	-	-	(9,000)	(9,000)
	At 31 December 2000	<u>115,204</u>	<u>638,407</u>	<u>593,480</u>	<u>1,347,091</u>
	<b>Net book value</b>				
	At 31 December 2000	<u>247,774</u>	<u>492,243</u>	<u>90,091</u>	<u>832,108</u>
	At 31 December 1999	<u>229,540</u>	<u>527,634</u>	<u>56,419</u>	<u>813,593</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 2000

7.	<b>Debtors</b>	<b>2000</b>	<b>1999</b>
		£	£
	Trade debtors	2,912,033	3,197,791
	Amounts owed by group undertakings	3,475,940	1,904,809
	Prepayments	146,397	162,730
		<u>6,534,370</u>	<u>5,265,330</u>
8.	<b>Creditors: amounts falling due within one year</b>	<b>2000</b>	<b>1999</b>
		£	£
	Bank overdraft	688,786	591,098
	Trade creditors	700,461	942,327
	Amounts owed to group undertakings	5,466,674	4,145,036
	Corporation tax	104,041	76,400
	Other taxes and social security costs	240,600	163,473
	Accruals	175,751	104,469
	Group relief creditor	-	24,195
		<u>7,376,313</u>	<u>6,046,998</u>
9.	<b>Called up share capital</b>	<b>2000</b>	<b>1999</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 £175,444 at 31 December 2000 (1999 - £128,694). 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 2000 was £1,936,360 (1999 - £3,644,917).		

# NICHOLLS & CLARKE GLASS LIMITED

## Notes to the financial statements

For the year ended 31 December 2000

11. Reconciliation of movement in shareholders' funds	2000 £	1999 £
Profit for the financial year	537,805	472,389
Dividends	(600,000)	(500,000)
Net (decrease) increase in shareholders' funds	(62,195)	(27,611)
Opening shareholders' funds	211,798	239,409
Closing shareholders' funds	149,603	211,798

12. **Ultimate parent company**

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