

Company Registration No. 01179701 (England and Wales)

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COMPANIES HOUSE

**PANEL SYSTEMS LIMITED**

**REPORTS AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

# **PANEL SYSTEMS LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	C M Ibbotson
<b>Secretary</b>	C Fairburn
<b>Company number</b>	01179701
<b>Registered office</b>	3-9 Welland Close SHEFFIELD S3 9QY
<b>Auditors</b>	Barber Harrison & Platt 2 Rutland Park Sheffield S10 2PD
<b>Bankers</b>	Yorkshire Bank plc 3 Broughton Lane Sheffield South Yorkshire S9 2DD

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# **PANEL SYSTEMS LIMITED**

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# PANEL SYSTEMS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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### Review of the business

Turnover increased by 12% on the previous year to £9m. Activity levels across the main markets all improved on 2013 and there was a strong year end order book.

### Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, cash, other liquid resources and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial instruments are liquidity risk, foreign currency risk and the general economic climate. The directors review and agree policies for managing each of these risks and monitor on a monthly basis.

#### Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. This is supported through an agreed overdraft facility.

#### Currency risk

The company is exposed to transaction and translation foreign exchange risk. In relation to translation risk the volume of foreign purchases are low and supplies are generally on 30 day terms. Sales and purchases for the Euro area are transacted in Euros.

#### General economic climate

The Company operates in a wide range of markets and activity levels are impacted by the general economic outlook. The Company's largest single market is the construction sector where activity levels have improved over the last 12 months.

### Key performance indicators

We consider that our key financial performance indicators are those that communicate the financial performance of the company as a whole, these being turnover, operating profit, profit before taxation and the strength of the balance sheet.

On behalf of the board



C M Ibbotson

Director

23/3/15

# **PANEL SYSTEMS LIMITED**

## **DIRECTOR'S REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2014***

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The director presents his report and financial statements for the year ended 31 December 2014.

#### **Principal activities and review of the business**

The principal activity of the company is the manufacture of panel components. The company comprises three manufacturing divisions supplying a range of markets including construction, caravans and leisure.

#### **Results and dividends**

The results for the year are set out on page 6.

An interim ordinary dividend was paid amounting to £122,308. The director does not recommend payment of a final dividend.

#### **Future developments**

During the year the Company completed a major investment program in the commissioning of a new factory and machinery to create three manufacturing divisions. This is intended as a platform for further growth in turnover during 2015.

#### **Director**

The following director has held office since 1 January 2014:

C M Ibbotson

#### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Barber Harrison & Platt be reappointed as auditors of the company will be put at a General Meeting.

#### **Statement of director's responsibilities**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

# **PANEL SYSTEMS LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2014***

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### **Statement of disclosure to auditors**

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

.....  
C M Ibbotson

Director

23/3/15  
.....

# **PANEL SYSTEMS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PANEL SYSTEMS LIMITED**

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We have audited the financial statements of Panel Systems Limited for the year ended 31 December 2014 set out on pages 6 to 19. 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 director and auditors**

As explained more fully in the Director's Responsibilities Statement set out on pages 2 - 3, the director is 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 APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 2014 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **PANEL SYSTEMS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF PANEL SYSTEMS LIMITED**

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#### **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.

**John Warner (Senior Statutory Auditor)**  
**for and on behalf of Barber Harrison & Platt**  
**Statutory Auditor**  
2 Rutland Park  
Sheffield  
S10 2PD

23 March 2015



# PANEL SYSTEMS LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 £	2013 £
Turnover	2	8,999,919	8,053,966
Cost of sales		(7,916,404)	(7,076,737)
<b>Gross profit</b>		<b>1,083,515</b>	<b>977,229</b>
Distribution costs		(515,242)	(469,367)
Administrative expenses		(387,566)	(282,371)
Other operating income		28,741	4,424
<b>Operating profit</b>	3	<b>209,448</b>	<b>229,915</b>
Other interest receivable and similar income	4	1,617	1,204
Interest payable and similar charges	5	(2,951)	(725)
<b>Profit on ordinary activities before taxation</b>		<b>208,114</b>	<b>230,394</b>
Tax on profit on ordinary activities	6	(43,692)	(6,689)
<b>Profit for the year</b>	18	<b>164,422</b>	<b>223,705</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

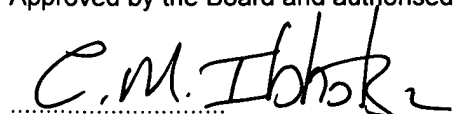
# PANEL SYSTEMS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	9		580,045		298,721
<b>Current assets</b>					
Stocks	10	306,265		342,161	
Debtors	11	2,170,928		1,759,680	
Cash at bank and in hand		29,277		398,532	
		<u>2,506,470</u>		<u>2,500,373</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,198,009)</u>		<u>(1,104,763)</u>	
<b>Net current assets</b>			<u>1,308,461</u>		<u>1,395,610</u>
<b>Total assets less current liabilities</b>			<u>1,888,506</u>		<u>1,694,331</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(98,760)		(43,296)
<b>Provisions for liabilities</b>	14		(77,000)		(28,000)
<b>Accruals and deferred income</b>	15		<u>(47,597)</u>		<u>-</u>
			<u>1,665,149</u>		<u>1,623,035</u>
<b>Capital and reserves</b>					
Called up share capital	17		1,000		1,000
Profit and loss account	18		<u>1,664,149</u>		<u>1,622,035</u>
<b>Shareholders' funds</b>	19		<u>1,665,149</u>		<u>1,623,035</u>

Approved by the Board and authorised for issue on 23/3/15



C M Ibbotson  
Director

Company Registration No. 01179701

# PANEL SYSTEMS LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
£	£	£
<b>Net cash (outflow)/inflow from operating activities</b>	(14,103)	412,844
<b>Returns on investments and servicing of finance</b>		
Interest received	1,617	1,204
Interest paid	(2,951)	(725)
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>	(1,334)	479
<b>Taxation</b>	11,475	(76,062)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(233,465)	(57,466)
Receipts from sales of tangible assets	4,800	4,750
<b>Net cash outflow for capital expenditure</b>	(228,665)	(52,716)
<b>Equity dividends paid</b>	(122,308)	(117,308)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>	(354,935)	167,237
<b>Financing</b>		
Government grant received	68,542	-
Capital element of hire purchase contracts	(82,862)	(66,192)
<b>Net cash outflow from financing</b>	(14,320)	(66,192)
<b>(Decrease)/increase in cash in the year</b>	<u>(369,255)</u>	<u>101,045</u>

# PANEL SYSTEMS LIMITED

## NOTES TO THE CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31 DECEMBER 2014

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2014	2013
		£	£
	Operating profit	209,448	229,915
	Depreciation of tangible assets	130,390	93,691
	Profit on disposal of tangible assets	(3,619)	(4,750)
	Decrease/(increase) in stocks	35,896	(14,268)
	Increase in debtors	(444,458)	(17,992)
	Increase in creditors within one year	79,185	126,248
	Movement on grant provision	(20,945)	-
	Net cash (outflow)/inflow from operating activities	(14,103)	412,844

2	Analysis of net (debt)/funds	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	398,532	(369,255)	-	29,277
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	(65,650)	(96,568)	-	(162,218)
	Net funds/(debt)	332,882	(465,823)	-	(132,941)

3	Reconciliation of net cash flow to movement in net (debt)/funds	2014	2013
		£	£
	(Decrease)/increase in cash in the year	(369,255)	101,045
	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(96,568)	20,582
	Change in net debt resulting from cash flows	(465,823)	121,627
	New finance lease	-	(69,375)
	Movement in net (debt)/funds in the year	(465,823)	52,252
	Opening net funds	332,882	280,630
	Closing net (debt)/funds	(132,941)	332,882

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2014

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

##### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

##### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

##### 1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold buildings	life of lease (maximum 10 years)
Plant and machinery	3 to 10 years
Motor vehicles	4 to 5 years

##### 1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### 1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

##### 1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

##### 1.9 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

##### 1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 1 Accounting policies

(continued)

##### 1.11 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

#### 2 Turnover

##### Geographical market

	Turnover	
	2014	2013
	£	£
United Kingdom	8,751,289	7,866,421
Europe and other	248,630	187,545
	<u>8,999,919</u>	<u>8,053,966</u>

#### 3 Operating profit

	2014	2013
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	130,390	93,691
Operating lease rentals	216,667	229,455
Auditors' remuneration (including expenses and benefits in kind)	11,070	10,750
and after crediting:		
Government grants	20,561	-
Profit on disposal of tangible assets	(3,619)	(4,750)
Profit on foreign exchange transactions	(8,180)	(4,424)
	<u></u>	<u></u>

#### 4 Investment income

	2014	2013
	£	£
Bank interest	1,617	1,195
Other interest	-	9
	<u>1,617</u>	<u>1,204</u>

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

<b>5</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	12
	Hire purchase interest	2,951	713
		<u>2,951</u>	<u>725</u>
<b>6</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	(5,144)	27,043
	Adjustment for prior years	(164)	(38,354)
	<b>Total current tax</b>	<u>(5,308)</u>	<u>(11,311)</u>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	49,000	18,000
		<u>43,692</u>	<u>6,689</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>208,114</u>	<u>230,394</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 20.00%)	<u>41,623</u>	<u>46,079</u>
	Effects of:		
	Non deductible expenses	5,903	635
	Capital allowances in excess of depreciation	(47,526)	(19,671)
	Tax losses utilised	(5,144)	-
	Adjustments to previous periods	-	(38,354)
	Other tax adjustments	(164)	-
		<u>(46,931)</u>	<u>(57,390)</u>
	<b>Current tax charge for the year</b>	<u>(5,308)</u>	<u>(11,311)</u>
<b>7</b>	<b>Dividends</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	122,308	117,308

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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### 8 Intangible fixed assets

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2014 & at 31 December 2014	92,346
<b>Amortisation</b>	
At 1 January 2014 & at 31 December 2014	92,346
<b>Net book value</b>	
At 31 December 2014	-
At 31 December 2013	-



# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

### 9 Tangible fixed assets

	Leasehold buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2014	69,974	1,268,335	136,547	1,474,856
Additions	-	393,373	19,522	412,895
Disposals	-	(136,828)	(18,892)	(155,720)
At 31 December 2014	69,974	1,524,880	137,177	1,732,031
<b>Depreciation</b>				
At 1 January 2014	69,974	1,047,679	58,482	1,176,135
On disposals	-	(136,828)	(17,711)	(154,539)
Charge for the year	-	98,749	31,641	130,390
At 31 December 2014	69,974	1,009,600	72,412	1,151,986
<b>Net book value</b>				
At 31 December 2014	-	515,280	64,765	580,045
At 31 December 2013	-	220,656	78,065	298,721

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

	Plant and machinery £
<b>Net book values</b>	
At 31 December 2014	269,888
At 31 December 2013	89,417
<b>Depreciation charge for the year</b>	
At 31 December 2014	9,307
At 31 December 2013	3,083

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

<b>10 Stocks and work in progress</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Raw materials and consumables	270,197	320,491
Work in progress	36,068	21,670
	<u>306,265</u>	<u>342,161</u>
<b>11 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,638,444	1,240,072
Amounts owed by parent undertaking	397,446	397,446
Corporation tax	5,144	38,354
Other debtors	29,374	410
Prepayments and accrued income	100,520	83,398
	<u>2,170,928</u>	<u>1,759,680</u>
<b>12 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	63,458	22,354
Trade creditors	917,474	838,762
Corporation tax	-	27,043
Other taxes and social security costs	111,492	116,499
Accruals and deferred income	105,585	100,105
	<u>1,198,009</u>	<u>1,104,763</u>

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

13 Creditors: amounts falling due after more than one year	2014 £	2013 £
Net obligations under hire purchase contracts	98,760	43,296
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	63,458	22,354
Repayable between one and five years	98,760	43,296
	162,218	65,650
Included in liabilities falling due within one year	(63,458)	(22,354)
	98,760	43,296

### 14 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2014	28,000
Profit and loss account	49,000
Balance at 31 December 2014	77,000

Deferred taxation provided in the financial statements is as follows:

	Fully provided 2014 £	2013 £
Accelerated capital allowances	77,000	28,000
	77,000	28,000

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 15 Accruals and deferred income

	Government grants £
Grants received during the year	68,542
Amortisation in the year	(20,945)
Balance at 31 December 2014	<u>47,597</u>

### 16 Pension and other post-retirement benefit commitments Defined contribution

	2014 £	2013 £
Contributions payable by the company for the year	<u>139,781</u>	<u>121,856</u>

### 17 Share capital

	2014 £	2013 £
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 18 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2014	1,622,035
Profit for the year	164,422
Dividends paid	(122,308)
Balance at 31 December 2014	<u>1,664,149</u>

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

19 Reconciliation of movements in shareholders' funds	2014 £	2013 £
Profit for the financial year	164,422	223,705
Dividends	(122,308)	(117,308)
Net addition to shareholders' funds	42,114	106,397
Opening shareholders' funds	1,623,035	1,516,638
Closing shareholders' funds	1,665,149	1,623,035

## 20 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings	
	2014 £	2013 £
Operating leases which expire:		
Between two and five years	104,800	104,800
In over five years	111,200	111,200
	216,000	216,000

21 Director's remuneration	2014 £	2013 £
Remuneration for qualifying services	26,612	25,477
Company pension contributions to defined contribution schemes	50,422	50,422
	77,034	75,899

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

# PANEL SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2014**

### 22 Employees

#### Number of employees

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

	2014 Number	2013 Number
Production and Warehouse	41	39
Selling and Marketing	4	3
Administration	8	7
	<u>53</u>	<u>49</u>

#### Employment costs

	2014 £	2013 £
Wages and salaries	1,319,152	1,086,724
Social security costs	108,798	102,089
Other pension costs	139,781	121,856
	<u>1,567,731</u>	<u>1,310,669</u>

### 23 Control

The company is a 100% owned subsidiary undertaking of Panel Systems (Holdings) Limited, a company registered in England and Wales.

### 24 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related Party Disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

# PANEL SYSTEMS LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	2014		2013	
	£	£	£	£
<b>Turnover</b>				
Sales		8,991,814		8,047,657
Other income		8,105		6,309
		<u>8,999,919</u>		<u>8,053,966</u>
<b>Cost of sales</b>				
Opening stock	342,161		327,893	
Purchases	5,796,920		5,275,915	
Direct costs	113,490		88,629	
Wages and salaries (excl. N.I.)	1,087,339		886,282	
Directors' remuneration	8,577		8,481	
Employer's N.I. contributions	89,851		83,380	
Directors' pension costs	50,422		50,422	
Staff pension scheme costs	73,416		56,056	
Commissions payable	38,451		36,872	
Consumables	42,033		42,948	
Repairs to plant and machinery	48,312		57,647	
Light, heat and power	72,605		65,241	
Rent re operating leases	216,667		229,455	
Rates	79,021		76,371	
Buildings maintenance	10,671		6,915	
Insurance	35,241		37,326	
Motor expenses	13,295		14,493	
Depreciation on plant and machinery	81,786		53,424	
Depreciation on motor vehicles	26,030		25,898	
(Profit)/loss on disposal of fixed assets	(3,619)		(4,750)	
	<u>8,222,669</u>		<u>7,418,898</u>	
Closing stock	(306,265)		(342,161)	
		<u>(7,916,404)</u>		<u>(7,076,737)</u>
<b>Gross profit</b>	12.04%	1,083,515	12.13%	977,229
<b>Distribution costs</b>	515,242		469,367	
<b>Administrative expenses</b>	387,566		282,371	
		<u>(902,808)</u>		<u>(751,738)</u>
		180,707		225,491
<b>Other operating income</b>				
Government grants received	20,561		-	
Exchange gains	8,180		4,424	
		<u>28,741</u>		<u>4,424</u>

# PANEL SYSTEMS LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

		2014		2013
	£	£	£	£
<b>Operating profit</b>		209,448		229,915
<b>Other interest receivable and similar income</b>				
Bank interest received	1,617		1,195	
Other interest received	-		9	
		1,617		1,204
<b>Interest payable</b>				
Bank interest paid	-		12	
Hire purchase interest paid	2,951		713	
		(2,951)		(725)
<b>Profit before taxation</b>	2.31%	208,114	2.86%	230,394



# PANEL SYSTEMS LIMITED

## SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£	£
<b>Distribution costs</b>		
Wages and salaries	104,542	85,962
Employer's N.I. contributions	10,443	9,394
Staff pension costs	7,907	7,752
Insurance	27,689	25,746
Advertising	38,304	46,134
External haulage	303,483	278,726
Motor running expenses	1,810	2,557
Discounts allowed	15,453	11,693
Depreciation on motor vehicles	5,611	1,403
	<u>515,242</u>	<u>469,367</u>
<b>Administrative expenses</b>		
Wages and salaries (excl. N.I.)	118,694	105,999
Employer's N.I. contributions	8,504	9,315
Staff pension costs	8,036	7,626
Operating charge	99,763	-
Repairs and maintenance	1,004	683
Printing, postage and stationery	15,294	12,803
Telephone	9,918	7,805
Computer running costs	52,611	54,300
Legal and professional fees	24,947	46,726
Audit fees	11,070	10,750
Bank charges	9,077	11,592
Bad and doubtful debts	12,321	1,451
Discounts received	(10,291)	(6,945)
Training	2,983	928
Sundry expenses - allowable	-	10
Subscriptions	6,672	6,362
Depreciation on plant and machinery	16,963	12,966
	<u>387,566</u>	<u>282,371</u>