

A.G.S. (HOME IMPROVEMENTS) LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2010

FRIDAY



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23/09/2011
COMPANIES HOUSE

PEPLOWS
Chartered Accountants & Statutory Auditor
Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG

A.G.S. (HOME IMPROVEMENTS) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

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A.G.S. (HOME IMPROVEMENTS) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr D A Roberts
Mr M Adkins
Mr S J Burgin

Company secretary

Mr D A Roberts

Registered office

Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG

Auditor

Peplows
Chartered Accountants
& Statutory Auditor
Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG

Bankers

Lloyds TSB
Courtenay Street
Newton Abbot
Devon
TQ12 2QW

A.G.S. (HOME IMPROVEMENTS) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2010

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the manufacture and fitting of sealed window units, doors and conservatories

During uncertain economic times and unsettled trading conditions the company has made a loss for 2010. The directors have formulated a plan to restrict costs and generate increased sales and they are optimistic that the company will return to profitability

The company's balance sheet as detailed on page 7 shows shareholders' funds amounting to £868,458 (2009 £875,992)

FUTURE DEVELOPMENTS

The directors have prepared a plan for the coming year to exploit the company's core businesses to improve turnover and profitability

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £2,284. Particulars of dividends paid are detailed in note 7 to the financial statements

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors have considered the major risks which the Company faces and consider that necessary controls are in place to lessen these risks

DIRECTORS

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

Mr G P A Munday
Mr D A Roberts
Mr T Coles
Mr M Adkins

Mr S J Burgin was appointed as a director on 4 July 2011
Mr G P A Munday retired as a director on 4 July 2011
Mr T Coles retired as a director on 4 July 2011

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and 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

A.G.S. (HOME IMPROVEMENTS) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2010

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 aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office
Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG

Signed by order of the directors



MR D A ROBERTS
Company Secretary

Approved by the directors on 12 September 2011

A.G.S. (HOME IMPROVEMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO A.G.S. (HOME IMPROVEMENTS) LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 19, together with the financial statements of A G S (Home Improvements) Limited for the year ended 31 December 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 12 September 2011 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph:

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the company's ability to continue as a going concern and the directors' reasons for not making a provision against the inter-company debt. In view of the significance of both of these matters and the inherent uncertainty as to the outcome, we consider these disclosures should be brought to your attention. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



LINDA LUGGER FCA (Senior
Statutory Auditor)
For and on behalf of
PEPLOWS
Chartered Accountants
& Statutory Auditor

Moorgate House
King Street
Newton Abbot
Devon
TQ12 2LG

12 September 2011

A.G.S. (HOME IMPROVEMENTS) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
TURNOVER		6,360,347	6,517,887
Cost of Sales and Other operating income		4,472,281	4,543,128
Distribution costs		908,177	958,763
Administrative expenses		938,447	961,212
OPERATING PROFIT	2	41,442	54,784
Interest receivable		2,312	-
Interest payable and similar charges	5	(45,945)	(32,250)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,191)	22,534
Tax on (loss)/profit on ordinary activities	6	93	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(2,284)</u>	<u>22,534</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 8 to 19 form part of these abbreviated accounts

A.G.S. (HOME IMPROVEMENTS) LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	8	1	1
Tangible assets	9	272,031	287,918
Investments	10	1,204,583	1,204,583
		<u>1,476,615</u>	<u>1,492,502</u>
CURRENT ASSETS			
Stocks	11	160,128	135,652
Debtors	12	954,384	888,111
Cash in hand		2,212	1,030
		<u>1,116,724</u>	<u>1,024,793</u>
CREDITORS: Amounts falling due within one year	13	<u>1,470,979</u>	<u>1,361,395</u>
NET CURRENT LIABILITIES		<u>(354,255)</u>	<u>(336,602)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,122,360</u>	<u>1,155,900</u>
CREDITORS: Amounts falling due after more than one year	14	232,874	244,799
PROVISIONS FOR LIABILITIES			
Other provisions	16	21,028	35,109
		<u>868,458</u>	<u>875,992</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	535,087	535,087
Share premium account	19	47,247	47,247
Other reserves	20	35,000	35,000
Profit and loss account	21	251,124	258,658
SHAREHOLDER'S FUNDS	22	<u>868,458</u>	<u>875,992</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 12 September 2011, and are signed on their behalf by



MR M ADKINS

Company Registration Number 01187904

The notes on pages 8 to 19 form part of these abbreviated accounts

A.G.S. (HOME IMPROVEMENTS) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	23	34,640	124,100
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	23	(43,633)	(32,250)
TAXATION	23	17,311	(15,273)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	23	(17,470)	1,401
EQUITY DIVIDENDS PAID		(5,250)	(5,250)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(14,402)	72,728
FINANCING	23	(31,469)	(55,928)
(DECREASE)/INCREASE IN CASH	23	<u>(45,871)</u>	<u>16,800</u>

The notes on pages 8 to 19 form part of these abbreviated accounts.

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Going concern

The company has been subject to the general uncertain conditions in the economy. After showing a profit in 2009 the company has slipped to a loss in 2010. The directors have formulated a plan to restrict costs and generate increased sales and they are optimistic that this will return the company to profitability.

The Company's balance sheet includes a debt due from its parent company AGS (Southern) Limited in the sum of £1,094,691. This debt is unlikely to be repaid in the near future. The ability of the parent company to repay this debt is ultimately dependent upon it realising its investment in AGS (Home Improvements) Limited. The carrying value of the investment shown in the parent company's balance sheet is £1,378,134. As the directors are confident that the company will again produce an operating profit, the support of its creditors and sufficient bank financing will be continued, these accounts have been prepared on a going concern basis and no provision has been made against the inter-company debt.

Consolidation exemption

In the opinion of the directors, the company and its subsidiary undertakings claim exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts on the grounds that the reporting company is itself a wholly owned subsidiary.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of contracts for specific customers, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of these contracts is recognised by reference to the stage of completion.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Fixed assets

All fixed assets are initially recorded at cost.

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	-	25% on a reducing balance basis or straight line over expected life of asset
Fixtures & Fittings	-	25% on a reducing balance basis
Motor Vehicles	-	25% on a reducing balance basis
Leased Plant & Machinery	-	Over the lease period
Leasehold Property	-	Over the lease period

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES *(continued)*

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, or a right to pay less or to receive more, tax, with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Warranties

Supplies of goods for the retail and commercial divisions are normally made with a ten year guarantee subject to certain conditions being met. A provision is recognised for expected warranty service claims as at the balance sheet date. This is calculated by reference to the experience of the costs actually incurred and the length of the guarantee period

2. OPERATING PROFIT

Operating profit is stated after charging

	2010	2009
	£	£
Depreciation of owned fixed assets	31,804	36,013
Depreciation of assets held under hire purchase and finance lease agreements	14,047	23,389
Loss on disposal of fixed assets	6,756	4,150
Auditor's remuneration		
- as auditor	10,940	10,520
- for other services	5,555	8,588
Operating lease costs		
- Plant and equipment	153,521	145,158
- Other	336,040	334,732

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

3 PARTICULARS OF EMPLOYEES

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

	2010	2009
	No	No
Number of production staff	66	71
Number of distribution staff	32	29
Number of administrative staff	11	11
Number of management staff	5	5
	<u>114</u>	<u>116</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	2,083,697	2,174,125
Social security costs	171,699	183,234
Other pension costs	6,935	5,759
Other pension costs	18,841	17,539
	<u>2,281,172</u>	<u>2,380,657</u>

4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	176,248	183,458
Value of company pension contributions to money purchase schemes	18,841	17,539
	<u>195,089</u>	<u>200,997</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2010	2009
	No	No
Money purchase schemes	<u>3</u>	<u>4</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Interest payable on bank borrowing	1,947	-
Finance charges	9,617	11,772
Other similar charges payable	34,381	20,478
	<u>45,945</u>	<u>32,250</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 21% (2009 - 21%)	93	-
Total current tax	<u>93</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	2010 £	2009 £
(Loss)/profit on ordinary activities before taxation	<u>(2,191)</u>	<u>22,534</u>
(Loss)/profit on ordinary activities by rate of tax	(460)	4,732
Expenses not deductible and income not chargeable for tax purposes	5,628	3,068
Capital allowances for period in excess of depreciation	(3,407)	(177)
Utilisation of tax losses	(1,668)	-
Group relief	-	(7,623)
Total current tax (note 6(a))	<u>93</u>	<u>-</u>

7. DIVIDENDS

Equity dividends

	2010 £	2009 £
Paid during the year		
Ordinary shares	<u>5,250</u>	<u>5,250</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2010 and 31 December 2010	<u>1</u>
AMORTISATION	
At 1 January 2010 and 31 December 2010	<u>-</u>
NET BOOK VALUE	
At 31 December 2010	<u>1</u>
At 31 December 2009	<u>1</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

9 TANGIBLE FIXED ASSETS

	Land and Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2010	75,620	1,555,108	710,016	155,317	2,496,061
Additions	—	—	16,970	21,150	38,120
Disposals	—	—	—	(64,756)	(64,756)
At 31 December 2010	75,620	1,555,108	726,986	111,711	2,469,425
DEPRECIATION					
At 1 January 2010	21,782	1,420,798	641,474	124,089	2,208,143
Charge for the year	1,309	20,494	15,225	8,823	45,851
On disposals	—	—	—	(56,600)	(56,600)
At 31 December 2010	23,091	1,441,292	656,699	76,312	2,197,394
NET BOOK VALUE					
At 31 December 2010	52,529	113,816	70,287	35,399	272,031
At 31 December 2009	53,838	134,310	68,542	31,228	287,918

Hire purchase and finance lease agreements

Included within the net book value of £272,031 is £23,883 (2009 - £60,046) relating to assets held under hire purchase agreements, and £54,686 (2009 - £67,301) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £4,272 (2009 - £11,038), and £9,775 (2009 - £12,351) in respect of assets held under finance lease agreements.

10 INVESTMENTS

	Shares/loans in group undertakings £
COST	
At 1 January 2010 and 31 December 2010	100,000
LOANS	
At 1 January 2010 and 31 December 2010	1,104,583
NET BOOK VALUE	
At 31 December 2010 and 31 December 2009	1,204,583

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

10 INVESTMENTS *(continued)*

Details of group undertakings at the balance sheet date are as follows

Name of company and business	Class of shares	Holding	Year end
Crown Windows Limited	Ordinary	100%	30th April

Aggregate capital and reserves - £100,000

The subsidiary company is dormant and is registered in England

Included in the above is a loan balance of £1,104,583 (2009 £1,104,583) to the parent company AGS Southern Limited

11 STOCKS

	2010 £	2009 £
Raw materials	<u>160,128</u>	<u>135,652</u>

12. DEBTORS

	2010 £	2009 £
Trade debtors	406,604	348,899
Amounts owed by group undertakings	153,304	143,031
Corporation tax repayable	—	17,311
Amounts recoverable on contract	—	40,987
Other debtors	302,601	251,802
Prepayments and accrued income	<u>91,875</u>	<u>86,081</u>
	<u>954,384</u>	<u>888,111</u>

Trade debtors as at 31 December 2010 include £Nil (2009 £159,879) of receivables which are factored

13 CREDITORS. Amounts falling due within one year

	2010 £	2009 £
Overdrafts	50,230	3,177
Trade creditors	819,856	738,791
Other creditors including taxation and social security	93	—
Corporation tax	203,550	198,687
PAYE and social security	208,400	239,004
VAT	—	—
Hire purchase and finance lease agreements	21,419	20,069
Other creditors	25,478	25,478
Factor account	—	1,644
	<u>458,940</u>	<u>484,882</u>
Accruals and deferred income	<u>141,953</u>	<u>134,545</u>
	<u>1,470,979</u>	<u>1,361,395</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

13. CREDITORS Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2010 £	2009 £
Overdrafts	76,230	3,177
Other creditors including taxation and social security	–	1,644
Hire purchase and finance lease agreements	21,419	20,069
	<u>97,649</u>	<u>24,890</u>

Amounts due in respect of factored receivables are secured on the sales invoices discounted

Obligations under finance leases and hire purchase contracts shown in notes 15 and 16 are secured on the assets concerned

The bank overdraft is secured by a debenture, guarantee and letter of set-off

14 CREDITORS Amounts falling due after more than one year

	2010 £	2009 £
Amounts owed to group undertakings	109,892	109,892
Other creditors		
Hire purchase and finance lease agreements	37,481	45,321
Directors' loan accounts	<u>85,501</u>	<u>89,586</u>
	122,982	134,907
	<u>232,874</u>	<u>244,799</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2010 £	2009 £
Hire purchase and finance lease agreements	<u>37,481</u>	<u>45,321</u>

15. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

Future commitments under hire purchase and finance lease agreements are as follows

	2010 £	2009 £
Amounts payable within 1 year	22,265	20,069
Amounts payable between 1 and 2 years	21,813	19,261
Amounts payable between 3 and 5 years	14,822	26,060
	<u>58,900</u>	<u>65,390</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

16 OTHER PROVISIONS

	2010 £
Warranty provision.	
Balance brought forward	35,109
Movement for year	(14,081)
	<u>21,028</u>

17 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	10,083	-	4,193
Within 2 to 5 years	2,000	144,916	6,500	110,878
After more than 5 years	150,000	-	150,000	-
	<u>152,000</u>	<u>154,999</u>	<u>156,500</u>	<u>115,071</u>

18 SHARE CAPITAL

Allotted, called up and fully paid.

	2010		2009	
	No	£	No	£
529,437 Ordinary shares of £1 each	529,437	529,437	529,437	529,437
5,650 Ordinary non-voting shares of £1 each	5,650	5,650	5,650	5,650
	<u>535,087</u>	<u>535,087</u>	<u>535,087</u>	<u>535,087</u>

The two classes of ordinary shares rank equally with one another in respect of rights to dividends and their priority on a winding-up of the company, however the ordinary non-voting shares shall not carry the right to be notified of or attend and vote at any of the meetings of the company

19. SHARE PREMIUM ACCOUNT

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

20. OTHER RESERVES

	2010 £	2009 £
Capital redemption reserve	<u>35,000</u>	<u>35,000</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

21. PROFIT AND LOSS ACCOUNT

	2010 £	2009 £
Balance brought forward	258,658	241,374
(Loss)/profit for the financial year	(2,284)	22,534
Equity dividends	(5,250)	(5,250)
Balance carried forward	<u>251,124</u>	<u>258,658</u>

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2010 £	2009 £
(Loss)/Profit for the financial year	(2,284)	22,534
Equity dividends	(5,250)	(5,250)
Net (reduction)/addition to shareholder's funds	(7,534)	17,284
Opening shareholder's funds	875,992	858,708
Closing shareholder's funds	<u>868,458</u>	<u>875,992</u>

23. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	41,442	54,784
Depreciation	45,851	59,402
Loss on disposal of fixed assets	6,756	4,150
Increase in stocks	(24,476)	(1,482)
(Increase)/decrease in debtors	(83,584)	132,266
Increase/(decrease) in creditors	62,732	(120,283)
Decrease in provisions	(14,081)	(4,737)
Net cash inflow from operating activities	<u>34,640</u>	<u>124,100</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2010 £	2009 £
Interest received	2,312	-
Interest paid	(36,328)	(20,478)
Interest element of hire purchase and finance lease	(9,617)	(11,772)
Net cash outflow from returns on investments and servicing of finance	<u>(43,633)</u>	<u>(32,250)</u>

TAXATION

	2010 £	2009 £
Taxation	<u>17,311</u>	<u>(15,273)</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

23. NOTES TO THE CASH FLOW STATEMENT *(continued)*

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2010 £	2009 £
Payments to acquire tangible fixed assets	(18,870)	(6,273)
Receipts from sale of fixed assets	1,400	7,678
Loans to group undertakings	—	(4)
Net cash (outflow)/inflow for capital expenditure and financial investment	<u>(17,470)</u>	<u>1,401</u>

FINANCING

	2010 £	2009 £
Redemption of shares classed as financial liabilities	—	(10,833)
Net outflow from other short-term creditors	(1,644)	(14,663)
Capital element of hire purchase and finance lease	(25,740)	(38,591)
Repayment of directors' long-term loans	<u>(4,085)</u>	<u>8,159</u>
Net cash outflow from financing	<u>(31,469)</u>	<u>(55,928)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2010 £	2009 £
(Decrease)/increase in cash in the period	(45,871)	16,800
Net outflow from other short-term creditors	1,644	14,663
Net cash outflow from redemption of shares classed as financial liabilities	—	10,833
Cash outflow in respect of hire purchase and finance lease	25,740	38,591
Cash outflow from/(inflow) from directors' long-term loans	<u>4,085</u>	<u>(8,159)</u>
Change in net debt resulting from cash flows	(14,402)	72,728
New finance leases	<u>(19,250)</u>	<u>(10,770)</u>
Movement in net debt in the period	<u>(33,652)</u>	<u>61,958</u>
Net debt at 1 January 2010	<u>(268,659)</u>	<u>(330,617)</u>
Net debt at 31 December 2010	<u>(302,311)</u>	<u>(268,659)</u>

A.G.S. (HOME IMPROVEMENTS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

23 NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2010 £	Cash flows £	Other changes £	At 31 Dec 2010 £
Net cash				
Cash in hand and at bank	1,030	1,182	—	2,212
Overdrafts	(3,177)	(47,053)	—	(50,230)
	<u>(2,147)</u>	<u>(45,871)</u>	<u>—</u>	<u>(48,018)</u>
Debt				
Debt due within 1 year	(1,644)	—	—	—
Debt due after 1 year	(199,478)	4,085	—	(195,393)
Hire purchase and finance lease agreements	(65,390)	25,740	(19,250)	(58,900)
	<u>(266,512)</u>	<u>29,825</u>	<u>(19,250)</u>	<u>(254,293)</u>
Net debt	<u>(268,659)</u>	<u>(16,046)</u>	<u>(19,250)</u>	<u>(302,311)</u>

24 ULTIMATE PARENT COMPANY

The ultimate parent company of A G S (Home Improvements) Limited is A G S Southern Limited, a company incorporated and registered in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Mandy, Cardiff.