

A. & B. Glass Company Limited

Annual Report and Financial Statements

Period Ended

31 October 2020

Company Number 01543721

SATURDAY



AAVB401

A04

14/08/2021

#21

COMPANIES HOUSE

A. & B. Glass Company Limited

Company Information

Directors	D F Barrett S D Stone P B McManus
Registered number	01543721
Registered office	Addison Road Chilton Industrial Estate Sudbury Suffolk CO10 2YW
Independent auditor	BDO LLP 16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ

A. & B. Glass Company Limited

Contents

	Page
Group Strategic Report	1 - 5
Directors' Report	6 - 8
Directors' Responsibilities Statement	9
Independent Auditor's Report	10 - 12
Consolidated Statement of Comprehensive Income	13
Consolidated Statement of Financial Position	14
Company Statement of Financial Position	15 - 16
Consolidated Statement of Changes in Equity	17
Company Statement of Changes in Equity	18
Consolidated Statement of Cash Flows	19 - 20
Notes to the Financial Statements	21 - 44

A. & B. Glass Company Limited

Group Strategic Report For the Period Ended 31 October 2020

The directors present their strategic report together with the audited financial statements for the 18 month period ended 31 October 2020.

Principal activity

The company's and group's main activity continues to be the manufacture, installation and maintenance of UPVC windows, doors and conservatories.

As detailed in note 24, on 31 October 2019 John Fredericks Plastics Limited was formally disposed of by A. & B. Glass Company Limited, its immediate holding company. D F Barrett, S D Stone and M D Dicconson assumed ownership of John Fredericks Plastics Limited at that date.

A. & B. Glass Company Limited

Group Strategic Report (continued) For the Period Ended 31 October 2020

Business review

Following the disposal of John Fredericks Plastics Limited on 31 October 2019, the group's sole trading company is A. & B. Glass Company Limited. Traditionally, all group companies had a 30 April year end date, but with the first Coronavirus (COVID-19) pandemic lockdown starting on 24 March 2020, the accounting period was extended to eighteen months, ending on 31 October 2020. The comparative figures presented in the audited financial statements (including related notes) are for the year ended 30 April 2019 and therefore are not entirely comparable with those presented for the 18 month period ended 31 October 2020.

A. & B. Glass Company Limited turnover for the eighteen month period at £35,819,268 was lower (on a prorated basis) than £33,145,113 for the year ended 30 April 2019, but the profit before tax for the period of £272,256 was a significant improvement on the loss before tax of £903,532 for the prior year.

Although the company was profitable between May and October 2019, a combination of factors meant it incurred significant losses prior to lockdown in March 2020. The business re-opened on 11 May 2020 with a skeleton staff and slowly grew turnover as housebuilders and general contractors returned to site. Although turnover levels were significantly lower than pre-March 2020 levels, the company returned to profitability in June 2020, which continued to the end of the financial period and beyond.

During the period, the group utilised government support in the form of the Coronavirus Job Retention Scheme under which a total of £1,440,257 has been recognised as other operating income in the consolidated statement of comprehensive income.

Business Environment

For the period to 24 March 2020, the industry remained extremely competitive and the group faced intense price pressure in the marketplace. This continued after 11 May 2020 as initial reduced demand was offset by a number of competitors leaving the industry. All group companies remained fully open throughout the subsequent lockdown periods, operating in a safe and COVID-compliant environment.

Strategy

Prior to March 2020 the group's central strategy was one of continued sustainable growth, as well as the demerger of John Fredericks Plastics Limited. Both of these were driven by internal resources and requirements. From March 2020 onwards, the group's strategy was mainly driven by external factors, mostly notably COVID-19, and was based on right-sizing the business by managing the return from lockdown.

Following the demerger of John Fredericks Plastics Limited, the group continued to concentrate on the Newbuild & Commercial sectors. At the same time, an update of its retail product offering and a return to on-site showroom space means it is ideally positioned to take advantage of higher expected retail demand moving forwards.

Future Outlook

The group continues to enjoy a large order book. As detailed in the Directors' Report, the industry remains competitive, but the business will continue to work to protect margins and profitability.

A. & B. Glass Company Limited

Group Strategic Report (continued) For the Period Ended 31 October 2020

Principal risks and uncertainties

The directors have considered the principal risks and uncertainties during the coming year, many of which are driven by factors which cannot be controlled, or which are difficult to predict.

The key business risk affecting the group's financial performance is considered to be the UK economy. The directors will closely monitor the impact of this and the risk factors below and will take swift and decisive strategic action should the need arise.

Price Risk

The group is exposed to increasing commodity price risk as a result of its purchasing requirements. The Directors continually monitor prices, but in the current economic climate, the ability to fix prices or engage alternative suppliers is limited.

Credit Risk

The group has implemented policies that require appropriate credit checks on potential customers. This credit risk is then managed on a proactive basis through the sales process through to debt collection and recovery. This risk is mitigated to a large extent by credit insurance cover.

Liquidity Cashflow Risk

Cashflow and liquidity risk is managed and minimised by diligent management of the credit control function and credit terms are strictly enforced. In order to maintain an invoice discounting facility, the business insures all debts and the wide spread of customers further reduces the financial impact of the risk.

Brexit Risk

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom. The directors therefore see currency fluctuations as a result of purchasing requirements as the main Brexit risk.

The UPVC product industry is extremely competitive and the group continually adjusts its product portfolio and pricing structures to ensure it maintains its market share and safeguards margins.

Other Risks

In view of the Coronavirus (COVID 19) pandemic, preventative measures have been deployed at all sites and all staff have been educated about how the virus transmits, early recognition of symptoms and have been given self quarantine advice. Although there have been a number of positive test results throughout the group, the impact of these has been relatively minor. It is hoped that steadily-increasing vaccination rates will further limit any losses.

Furthermore, although John Fredericks Plastics Limited was demerged from the group in October 2019, common ownership means that there is still a degree of resource sharing available, should the need arise.

Financial key performance indicators

The directors consider that the key financial indicators of the business are turnover, gross profit, operating profit and net bank borrowings. In challenging trading conditions the directors are satisfied with the group's performance in relation to the key performance indicators.

The indicators and comparisons with 2019 are detailed in the directors' report.

A. & B. Glass Company Limited

Group Strategic Report (continued) For the Period Ended 31 October 2020

Other key performance indicators

An important non-financial KPI is the reportable accidents per employee of which there were none in the current or prior period.

Directors' statement of compliance with duty to promote the success of the Group in accordance with section 172 of the 2006 Companies Act

The directors, in line with their duties under S172 of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, would be most likely to promote the success of the group for the benefits of its stakeholders as a whole.

Our stakeholders

The directors consider that the following are the group's key stakeholders:

Employees
Customers
Suppliers
Our local community and the wider environment
Funders and members

In promoting the success of the group, the directors have regard, amongst other matters, to the following:

Having regard to the likely long-term consequences of any decision

The directors are mindful that their strategic decisions can have long term implications for stakeholders, and these are carefully considered. During the period, the most relevant example of this was the demerger of John Fredericks Plastics Limited, where the directors considered and balanced:

- The desire to allow the new management team the opportunity to increase the turnover and profitability of the business; with
- The removal of a joint working capital pool, the need to greater manage and measure shared human resources, and minimise the duplication in working processes and other activities

Having regard to the interests of the group's employees

The Board takes active steps to ensure that the interests of its employees are considered in decision making. The last eight months of the period were dominated by the impact and implications of COVID-19. At the start of the pandemic, virtually all staff were furloughed and while the business re-opened shortly after the first lockdown (and has remained fully open since), a significant headcount reduction was necessary to ensure the long term viability of the business, and this took place via a group-wide consultation process that started in October 2020, and was finally completed in March 2021.

Moving forward, the directors are mindful of the need to improve employee engagement.

A. & B. Glass Company Limited

Group Strategic Report (continued) For the Period Ended 31 October 2020

Directors' statement of compliance with duty to promote the success of the Group in accordance with section 172 of the 2006 Companies Act (continued)

Having regard to the need to foster the group's business relationships with suppliers, customers and others

Suppliers – The group is reliant on a small number of key suppliers, most of whom are industry-specific. Close working relationships are key and throughout the period (and in particular from May 2020 onwards) this became increasingly important as supply chain issues made continuity of supply a key consideration for the business.

Customers – Both the Newbuild and Commercial divisions of the group operate in a very price-competitive environment and have a relatively small number of large customers. These customers provide the business with long term contract work and the directors are aware that relationships with key decision makers are crucial.

Funders – The Group Financial Director is responsible for managing the relationship with the company's bankers and funders. This involves ensuring access to funding, the management of headroom and cashflow; together with the smooth interaction between internal and external personnel.

During the period, existing facilities (all of which were provided by Lloyds Bank) were reviewed and post period-end the decision was taken to appoint Independent Growth Finance and Barclays Bank to provide confidential invoice discounting and transactional banking facilities respectively. The directors would like to put on record their thanks to Lloyds Bank for their help in ensuring a smooth transition process.

Having regard to the impact of the group's operations on the community and environment

The group works hard to be environmentally responsible, both in the context of the product it sells, but also its approach to sustainable and responsible manufacturing processes.

During the period, A. & B. Glass Company Limited's ISO14001 accreditation was renewed and further advances and improvements were made to wastage, recycling and efficient manufacturing processes. This will continue.

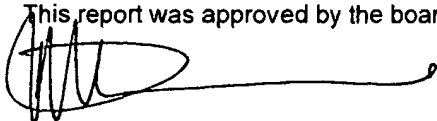
Desirability of the group maintaining a reputation for high standards of business conduct

The Board prides itself on the honesty and integrity of its business dealings. It recognises the importance of Best Practice and strives to ensure these high standards are found throughout the business.

The need to act fairly as between members of the group

The group has long term shareholders who are all Board members and active working directors. This close involvement ensures that their interests are not only aligned, but also addressed and promoted in an effective and proactive manner.

This report was approved by the board on 10th August 2021 and signed on its behalf.



P B McManus
Director

A. & B. Glass Company Limited

Directors' Report For the Period Ended 31 October 2020

The directors present their report and the audited financial statements for the 18 month period ended 31 October 2020.

Results and dividends

The results for the group for the period (together with comparatives) are as follows:

	18 months ended 31 October 2020 £000	Year ended 30 April 2019 £000	Year ended 30 April 2018 £000	Year ended 30 April 2017 £000
Turnover	41,902	43,609	40,717	37,149
Gross profit	10,514	9,236	9,327	8,058
Operating profit/(loss)	402	(800)	174	(356)
Net bank borrowings	1,647	4,242	3,938	3,442

The results for the 18 month period ended 31 October 2020 include both continuing and discontinued operations.

No dividends were paid by the company (2019 - £Nil). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the period were:

D F Barrett
S D Stone
P B McManus

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 1 to 5.

The directors have reviewed the historical trading performance of the parent company and the company's forecasts through to October 2022 to assess the level of finance required by the group. In their consideration of going concern, the directors have reviewed the cash forecasts and revenue projections, which they believe are based on prudent market data and past experience, and take into account the impact of the current Covid-19 pandemic, and the company's ongoing recovery. Forecasts for the years to October 2021 and October 2022 show that the company will remain profitable and there is sufficient headroom in the available funding facility to continue as a going concern and meet its liabilities as they fall due

The company and group are well established and have long standing relationships with customers and suppliers which affords the group flexibility in its operations. Although the company returned from lockdown in May 2020, in the event there is a government-imposed complete lockdown, and the resultant closure of building sites and retail outlets, results in an immediate and significant drop in sales or call-offs, the directors can reduce production costs at relatively short notice and there is also scope to make administration savings, and the directors would look to take advantage of any available government support in such circumstances. For these reasons the directors continue to adopt the going concern basis in preparing the financial statements.

A. & B. Glass Company Limited

Directors' Report (continued) For the Period Ended 31 October 2020

Financial instruments

The group's treasury activities are operated within policies and procedures approved by the Board, which include defined controls on the use of financial instruments managing the group's risk.

The group finances its operations by a mixture of retained profits, cash and an invoice discounting facility.

Engagement with employees

The group actively encourages employee involvement in the business. There are regular board, management and staff meetings to ensure employees are kept abreast of strategy, performance and future developments ensuring the flow of information throughout the business.

The group is an equal opportunity employer and is committed to ensuring no employee or applicant is treated less favourably on grounds of age, race, religion, gender, ethnic origin, disability or sexual orientation.

The group continues to support the employment of disabled persons, wherever practicable, and to ensure that they share in the training, career development and promotion opportunities available to all employees.

Engagement with suppliers, customers and others

Details of the group's engagement with suppliers, customers and others are included within the Directors' statement of compliance with duty to promote the success of the group in accordance with section 172 of the 2006 Companies Act within the Strategic Report.

Qualifying third party indemnity provisions

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Matters covered in the strategic report

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Group Strategic Report as the directors consider them to be of strategic importance to the group.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

As detailed in the strategic report the company changed funders in January 2021. This change provided the company with an enhanced facility for its day to day working capital needs, together with a £500,000 CBILS loan facility to fund the consultation process and subsequent headcount reduction.

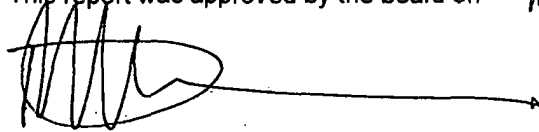
A. & B. Glass Company Limited

Directors' Report (continued) For the Period Ended 31 October 2020

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *10th August 2021* and signed on its behalf.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

P B McManus
Director

A. & B. Glass Company Limited

Directors' Responsibilities Statement For the Period Ended 31 October 2020

The directors are responsible for preparing the Group Strategic Report, 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 Group and Company 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 Group and Company and of the profit or loss of the Group for that period.

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 UK 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.

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.

A. & B. Glass Company Limited

Independent Auditor's Report to the Members of A. & B. Glass Company Limited

Opinion

We have audited the financial statements of A. & B. Glass Company Limited ("the Parent Company") and its subsidiaries ("the Group") for the 18 month period ended 31 October 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 October 2020 and of the Group's profit for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

A. & B. Glass Company Limited

Independent Auditor's Report to the Members of A. & B. Glass Company Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and the financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

A. & B. Glass Company Limited

Independent Auditor's Report to the Members of A. & B. Glass Company Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

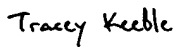
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

90ADC148A9614B1...

Tracey Keeble (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Ipswich
United Kingdom

10 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

A. & B. Glass Company Limited

Consolidated Statement of Comprehensive Income For the Period Ended 31 October 2020

		Continuing operations 18 months ended 31 October 2020 £	Discontinued operations 18 months ended 31 October 2020 £	Total 18 months ended 31 October 2020 £	Continuing operations Year ended 30 April 2019 £	Discontinue d operations Year ended 30 April 2019 £	Total Year ended 30 April 2019 £
	Note						
Turnover	4	35,819,268	6,082,277	41,901,545	33,145,113	10,463,448	43,608,561
Cost of sales		(26,369,849)	(5,017,485)	(31,387,334)	(26,461,054)	(7,911,059)	(34,372,113)
Gross profit		9,449,419	1,064,792	10,514,211	6,684,059	2,552,389	9,236,448
Administrative expenses		(10,422,147)	(1,130,807)	(11,552,954)	(7,502,910)	(2,533,147)	(10,036,057)
Other operating income	5	1,440,257	-	1,440,257	-	-	-
Operating profit/(loss)	6	467,529	(66,015)	401,514	(818,851)	19,242	(799,609)
Loss on disposal of subsidiary undertaking	24	-	(67,593)	(67,593)	-	-	-
Interest payable and similar expenses	9	(127,680)	(13,526)	(141,206)	(84,681)	(29,913)	(114,594)
Profit/(loss) before taxation		339,849	(147,134)	192,715	(903,532)	(10,671)	(914,203)
Tax on profit/(loss)	10	(98,282)	-	(98,282)	67,744	464	68,208
Profit/(loss) for the financial period attributable to the owners of the parent Company		241,567	(147,134)	94,433	(835,788)	(10,207)	(845,995)

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited

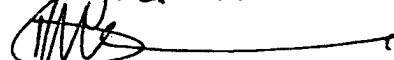
Registered number: 01543721

Consolidated Statement of Financial Position As at 31 October 2020

	Note	31 October 2020 £	31 October 2020 £	30 April 2019 £	30 April 2019 £
Fixed assets					
Intangible assets	11		91,158		131,146
Tangible assets	12		625,401		1,038,253
			<u>716,559</u>		<u>1,169,399</u>
Current assets					
Stocks	14	774,423		1,600,934	
Debtors: amounts falling due within one year	15	8,306,331		13,599,578	
Cash at bank and in hand		26,850		166,026	
		<u>9,107,604</u>		<u>15,366,538</u>	
Creditors: amounts falling due within one year	16	(5,886,517)		(12,533,605)	
Net current assets			<u>3,221,087</u>		<u>2,832,933</u>
Total assets less current liabilities			<u>3,937,646</u>		<u>4,002,332</u>
Creditors: amounts falling due after more than one year	17		(3,839)		(38,233)
Provisions for liabilities					
Deferred taxation	19	(52,194)		(81,365)	
Other provisions	20	(101,525)		(197,079)	
			<u>(153,719)</u>		<u>(278,444)</u>
Net assets			<u><u>3,780,088</u></u>		<u><u>3,685,655</u></u>
Capital and reserves					
Called up share capital	21		74		74
Other reserves	22		26		26
Profit and loss account	22		3,779,988		3,685,555
Equity attributable to owners of the parent Company			<u><u>3,780,088</u></u>		<u><u>3,685,655</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

10 August 2021



P B McManus
Director

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited
Registered number: 01543721

Company Statement of Financial Position
As at 31 October 2020

	Note	31 October 2020 £	31 October 2020 £	30 April 2019 £	30 April 2019 £
Fixed assets					
Intangible assets	11		11,366		16,237
Tangible assets	12		604,950		902,910
Investments	13		5		105
			<u>616,321</u>		<u>919,252</u>
Current assets					
Stocks	14	774,423		895,055	
Debtors: amounts falling due within one year	15	8,306,326		11,885,846	
Cash at bank and in hand		26,850		105,300	
		<u>9,107,599</u>		<u>12,886,201</u>	
Creditors: amounts falling due within one year	16	(5,886,518)		(9,974,171)	
Net current assets			<u>3,221,081</u>		<u>2,912,030</u>
Total assets less current liabilities			<u>3,837,402</u>		<u>3,831,282</u>
Creditors: amounts falling due after more than one year	17		(3,839)		(38,233)
Provisions for liabilities					
Deferred taxation	19	(52,194)		(78,946)	
Other provisions	20	(101,525)		(165,322)	
			<u>(153,719)</u>		<u>(244,268)</u>
Net assets			<u><u>3,679,844</u></u>		<u><u>3,548,781</u></u>

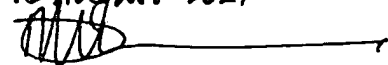
A. & B. Glass Company Limited

Registered number: 01543721

Company Statement of Financial Position (continued) As at 31 October 2020

	Note	31 October 2020 £	31 October 2020 £	30 April 2019 £	30 April 2019 £
Capital and reserves					
Called up share capital	21	-	74		74
Other reserves	22		26		26
Profit and loss account brought forward		3,548,681		5,297,784	
Profit/(loss) for the period		131,063		(1,749,103)	
Profit and loss account carried forward	22		3,679,744		3,548,681
Total equity			3,679,844		3,548,781

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
10 August 2021



P B McManus
Director

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited

Consolidated Statement of Changes in Equity For the 18 month Period Ended 31 October 2020

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 May 2019	74	26	3,685,555	3,685,655
Comprehensive income for the period				
Profit for the period	-	-	94,433	94,433
Total comprehensive income for the period	-	-	94,433	94,433
At 31 October 2020	74	26	3,779,988	3,780,088

Consolidated Statement of Changes in Equity For the Year Ended 30 April 2019

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 May 2018	74	26	4,531,550	4,531,650
Comprehensive loss for the year				
Loss for the year	-	-	(845,995)	(845,995)
Total comprehensive loss for the year	-	-	(845,995)	(845,995)
At 30 April 2019	74	26	3,685,555	3,685,655

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited

Company Statement of Changes in Equity For the 18 month Period Ended 31 October 2020

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2019	74	26	3,548,681	3,548,781
Comprehensive income for the period				
Profit for the period	-	-	131,063	131,063
Total comprehensive income for the period	-	-	131,063	131,063
At 31 October 2020	74	26	3,679,744	3,679,844

Company Statement of Changes in Equity For the Year Ended 30 April 2019

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2018	74	26	5,297,784	5,297,884
Comprehensive loss for the year				
Loss for the year	-	-	(1,749,103)	(1,749,103)
Total comprehensive loss for the year	-	-	(1,749,103)	(1,749,103)
At 30 April 2019	74	26	3,548,681	3,548,781

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited

Consolidated Statement of Cash Flows For the Period Ended 31 October 2020

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Cash flows from operating activities		
Profit/(loss) for the financial period	94,433	(845,995)
Adjustments for:		
Amortisation of intangible assets	39,988	30,485
Depreciation of tangible assets	304,889	281,934
Impairments of goodwill	-	518,830
Profit on disposal of tangible assets	(796)	(3,194)
Interest paid	141,206	114,594
Taxation charge	98,282	(68,208)
Decrease/(increase) in stocks	126,437	(17,251)
Decrease/(increase) in debtors	3,311,344	(1,690,787)
(Decrease)/increase in creditors	(1,781,568)	1,679,521
(Decrease)/increase in provisions	(95,554)	46,816
Loss on disposal of subsidiary undertakings	67,593	-
Corporation tax (paid)/received	(57,820)	22,705
Net cash generated from operating activities	2,248,434	69,450
Cash flows from investing activities		
Purchase of tangible fixed assets	(27,947)	(109,049)
Sale of tangible fixed assets	7,753	4,376
Cash written off on impaired investment	(25,752)	-
Loss on dissolution of subsidiary	24,739	-
Net cash used in investing activities	(21,207)	(104,673)
Cash flows from financing activities		
(Decrease)/increase in debt factoring funds	(2,076,169)	265,541
Repayment of finance leases	(149,028)	(153,409)
Interest paid	(141,206)	(114,594)
Net cash used in financing activities	(2,366,403)	(2,462)

A. & B. Glass Company Limited

Consolidated Statement of Cash Flows (continued) For the Period Ended 31 October 2020

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Net decrease in cash and cash equivalents	(139,176)	(37,685)
Cash and cash equivalents at beginning of period	166,026	203,711
Cash and cash equivalents at the end of period	26,850	166,026
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	26,850	166,026

The notes on pages 21 to 44 form part of these financial statements.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

1. General information

A. & B. Glass Company Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office can be found on the Company Information page. The nature of the group's operations and its principal activities can be found in the Group Strategic Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency is GB Pounds rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The company has applied FRS 102 (March 2018) in these financial statements, which includes the amendments as a result of the Triennial Review 2017.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements incorporate those of A. & B. Glass Company Limited and all of its subsidiaries ("the Group") as they formed a single entity. Subsidiaries are consolidated using the acquisition method. Their results are incorporated from the date that control passes. Subsidiaries are deconsolidated from the date control ceases. All financial statements are made up to 31 October 2020. The difference between the cost of acquisition of shares in subsidiaries and the fair value of net assets acquired is capitalised as purchased goodwill and amortised through the statement of comprehensive income.

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of comprehensive income, as it prepares group accounts and the statement of financial position shows the company's profit for the financial period.

2.3 Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements as it prepares group accounts and the Company Statement of Financial Position shows the company's results for the financial year;
- No cash flow statement has been presented for the Parent Company; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

2. Accounting policies (continued)

2.4 Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 1 to 5.

The directors have reviewed the historical trading performance of the parent company and the company's forecasts through to October 2022 to assess the level of finance required by the group. In their consideration of going concern, the directors have reviewed the cash forecasts and revenue projections, which they believe are based on prudent market data and past experience, and take into account the impact of the current Covid-19 pandemic, and the group's ongoing recovery. Forecasts for the years to October 2021 and October 2022 show that the group will remain profitable and there is sufficient headroom in the available funding facility to continue as a going concern and meet its liabilities as they fall due.

The company and group are well established and have long standing relationships with customers and suppliers which affords the group flexibility in its operations. Although the company returned from lockdown in May 2020, in the event there is a government-imposed complete lockdown, and the resultant closure of building sites and retail outlets, results in an immediate and significant drop in sales or call-offs, the directors can reduce production costs at relatively short notice and there is also scope to make administration savings, and the directors would look to take advantage of any available government support in such circumstances. For these reasons the directors continue to adopt the going concern basis in preparing the financial statements.

2.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax. Turnover is recognised when goods have been delivered and where applicable, installed.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

2.7 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.8 Government grants

Payments received from the government under the Coronavirus Job Retention Scheme ("furlough") are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

2. Accounting policies (continued)

2.12 Intangible assets

Goodwill

Goodwill, representing the excess of the purchase price compared with the fair value of assets acquired, is capitalised and written off over 20 years in respect of the trade of acquired subsidiaries as, in the opinion of the directors, these represent the periods over which the goodwill will be effective. Amortisation is charged within administrative expenses.

Other intangible assets

Other intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to the statement of comprehensive income on a straight-line basis over their useful lives, as follows:

Amortisation is provided on the following bases:

Purchased computer software	-	25 % per annum
-----------------------------	---	----------------

All intangible assets are considered to have a finite useful life.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on all tangible fixed assets; at rates calculated to write off the cost of each asset to its estimated residual value over its expected useful life.

Depreciation is provided on the following basis:

Leasehold property improvements	- 5% - 15% straight line or over the years remaining on the lease
Plant and machinery	- 15% per annum reducing balance
Motor vehicles	- 20% - 25% per annum reducing balance
Fixtures and fittings	- 15% - 25% per annum reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

2. Accounting policies (continued)

2.14 Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All impairment losses are recognised in the consolidated statement of comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the consolidated statement of comprehensive income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads appropriate to the stage of completion.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

2.17 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours

2.18 Warranty provision

Provision is made for liabilities arising in respect of expected warranty claims on warranties provided in conjunction with the sale of goods. Provisions are recognised when the Company or Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

The provision is based on expected costs to be incurred over the next 3 to 10 years based on previous warranty claims.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

2. Accounting policies (continued)

2.19 Financial instruments

Financial assets and liabilities are recognised when the company and group becomes a party to the contractual provisions of the instrument and are only offset when the company and group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade, group and other debtors

Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the consolidated statement of comprehensive income for the excess of the carrying value of the trade debtor over the present value of the future cash flows. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the consolidated statement of comprehensive income.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company and group after deducting all of its liabilities.

Invoice discounting

The Group has an invoice discounting agreement. The amount owed by customers to the group is included within trade debtors and the amount owed to the invoice discounting company is included within creditors. The amount owed to the invoice discounting company represents the difference between the amounts advanced by the discounting group and the invoices discounted. The interest element of the invoice discounting charges and other related costs are recognised as they accrue and included in the Statement of Comprehensive Income within interest payable and similar expenses.

Trade, group and other creditors

Trade, group and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical accounting estimates and assumptions

- The cost element of stock carried forward in the statement of financial position is estimated by the directors based on raw material cost plus an appropriate proportion of labour and overheads. This therefore represents a critical accounting estimate arrived at by the directors based on their experience.
- Using the information available at the statement of financial position date, the directors make judgements based on their experience on the level of impairment required for stock and trade debtors and the provision for future warranty costs. Further information received after the statement of financial position date may impact on the level of provision.
- Tangible fixed assets are depreciated over their useful lives, taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment considers issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Deferred tax assets and liabilities require management judgement in determining the amount to be recognised. In particular, judgement is used when assessing the extent to which deferred tax and assets should be recognised with consideration given to the timings and level of future taxable income.
- The company applies its policies on turnover and long term contracts when recognising revenue and profit on partially completed contracts. The application of this policy requires judgements to be made in respect of the total expected costs to complete and the profit margin achievable on each contract. The company has in place established internal control processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

Critical areas of judgement

- In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the company and group as lessee.
- In determining whether there are indicators of impairment of the company's tangible and intangible assets management make judgements. The factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

4. Turnover

The whole of the turnover is attributable to the principal business activity.

All turnover arose within the United Kingdom.

5. Other operating income

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Coronavirus job retention scheme	1,440,257	-

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Amortisation of intangible assets	39,988	30,485
Impairment of goodwill	-	518,830
Depreciation of tangible assets – owned	287,957	197,484
Depreciation of tangible assets – held under hire purchase contracts	16,932	84,450
Profit on disposal of tangible assets	(796)	(3,194)
Other operating lease rentals	583,081	709,035
Operating lease rental receipts	-	(9,218)
Defined contribution pension cost	213,581	155,647

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

7. Auditor's remuneration

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Fees payable to the Group's auditor in respect of:		
- Audit of parent and consolidated financial statements	25,750	17,000
- Audit of subsidiaries' financial statements	-	14,100
	<u>25,750</u>	<u>14,100</u>
Fees payable to the Group's auditor and its associates in respect of:		
Other services relating to taxation	4,250	41,700
Other services	2,500	-
	<u>4,250</u>	<u>-</u>

8. Employees

Staff costs were as follows:

	Group 18 months ended 31 October 2020 £	Group Year ended 30 April 2019 £	Company 18 months ended 31 October 2020 £	Company Year ended 30 April 2019 £
Wages and salaries	11,560,481	11,422,541	9,931,255	8,291,850
Social security costs	976,112	997,620	835,405	734,060
Cost of defined contribution scheme	213,581	155,647	182,738	115,165
	<u>12,750,174</u>	<u>12,575,808</u>	<u>10,949,398</u>	<u>9,141,075</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Group 18 months ended 31 October 2020 No.	Group Year ended 30 April 2019 No.	Company 18 months ended 31 October 2020 No.	Company Year ended 30 April 2019 No.
Production and administration	347	477	279	339

None of the directors received any emoluments from the company in either the current or prior year. The directors' remuneration is paid through the parent company, SDSDAB Limited.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

9. Interest payable and similar expenses

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
On debt factoring	127,696	99,526
Finance leases and hire purchase contracts	13,510	15,068
	<u>141,206</u>	<u>114,594</u>

10. Taxation

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Corporation tax		
Current tax on profits for the period/year	95,267	(23,240)
Adjustments in respect of previous periods	29,767	(35,003)
Total current tax	<u>125,034</u>	<u>(58,243)</u>
Deferred tax		
Origination and reversal of timing differences	(36,040)	(9,965)
Effect of tax rate change on opening balance	9,288	-
Total deferred tax	<u>(26,752)</u>	<u>(9,965)</u>
Taxation on profit/(loss)	<u>98,282</u>	<u>(68,208)</u>

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

10. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	18 months ended 31 October 2020 £	Year ended 30 April 2019 £
Profit/(loss) before tax	192,715	(914,203)
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	36,616	(173,699)
Effects of:		
Expenses not deductible for tax purposes	1,983	104,320
Adjustments to tax charge in respect of prior periods	29,767	-
Tax charged at different rates	9,288	1,171
Other differences leading to an increase in the tax charge	20,628	-
Total tax charge/(credit) for the period/year	98,282	(68,208)

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

10. Taxation (continued)

Factors that may affect future tax charges

The UK corporation tax rate during the financial period was 19%. Deferred taxes as at 31 October 2020 have been calculated using the rates enacted at that date, being 19%.

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced at the budget on 3 March 2021, and substantively enacted on 24 May 2021. This has not been substantively enacted at the financial period end date and as such has not impacted upon the calculation of deferred tax as at 31 October 2020. The utilisation of the new corporation tax rate proposed in the recent budget will be considered in future periods.

11. Intangible assets

Group

	Computer software £	Goodwill £	Total £
Cost			
At 1 May 2019	68,559	2,629,264	2,697,823
On disposal of subsidiary	(47,470)	(956,456)	(1,003,926)
At 31 October 2020	21,089	1,672,808	1,693,897
Amortisation and impairment			
At 1 May 2019	33,825	2,532,852	2,566,677
Charge for the period	23,368	16,620	39,988
On disposal of subsidiary	(47,470)	(956,456)	(1,003,926)
At 31 October 2020	9,723	1,593,016	1,602,739
Net book value			
At 31 October 2020	11,366	79,792	91,158
At 30 April 2019	34,734	96,412	131,146

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

11. Intangible assets (continued)

Company

	Computer software £	Goodwill £	Total £
Cost			
At 1 May 2019	21,089	1,202,947	1,224,036
At 31 October 2020	21,089	1,202,947	1,224,036
Amortisation			
At 1 May 2019	4,852	1,202,947	1,207,799
Charge for the period	4,871	-	4,871
At 31 October 2020	9,723	1,202,947	1,212,670
Net book value			
At 31 October 2020	11,366	-	11,366
At 30 April 2019	16,237	-	16,237

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

12. Tangible fixed assets

Group

	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 May 2019	288,446	6,937,248	1,462,671	984,769	9,673,134
Additions	-	22,122	-	5,825	27,947
Disposals	-	-	(128,150)	-	(128,150)
Disposal of subsidiary	(66,796)	(2,667,733)	(463,905)	(626,504)	(3,824,938)
At 31 October 2020	221,650	4,291,637	870,616	364,090	5,747,993
Depreciation					
At 1 May 2019	213,992	6,349,070	1,172,648	899,171	8,634,881
Charge for the period	17,495	147,355	115,910	24,129	304,889
Disposals	-	-	(121,193)	-	(121,193)
Disposal of subsidiary	(45,432)	(2,568,910)	(462,643)	(619,000)	(3,695,985)
At 31 October 2020	186,055	3,927,515	704,722	304,300	5,122,592
Net book value					
At 31 October 2020	35,595	364,122	165,894	59,790	625,401
At 30 April 2019	74,454	588,178	290,023	85,598	1,038,253

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 October 2020 £	30 April 2019 £
Leasehold property improvements	-	34,296
Plant and machinery	-	69,628
Motor vehicles	29,118	181,654
	29,118	285,578

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

12. Tangible fixed assets (continued)

Company

	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 May 2019	221,650	4,269,515	998,766	358,265	5,848,196
Additions	-	22,122	-	5,825	27,947
Disposals	-	-	(128,150)	-	(128,150)
At 31 October 2020	221,650	4,291,637	870,616	364,090	5,747,993
Depreciation					
At 1 May 2019	168,560	3,786,550	710,005	280,171	4,945,286
Charge for the period	38,859	131,286	117,172	31,633	318,950
Disposals	-	-	(121,193)	-	(121,193)
At 31 October 2020	207,419	3,917,836	705,984	311,804	5,143,043
Net book value					
At 31 October 2020	14,231	373,801	164,632	52,286	604,950
At 30 April 2019	53,090	482,965	288,761	78,094	902,910

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 October 2020 £	30 April 2019 £
Leasehold property improvements	-	34,296
Plant and machinery	-	69,628
Motor vehicles	29,118	181,654
	29,118	285,578

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

13. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
At 1 May 2019	3,084,285
Disposals	(1,448,865)
At 31 October 2020	<u>1,635,420</u>
Impairment	
At 1 May 2019	3,084,180
Impairment on disposals	(1,448,765)
At 31 October 2020	<u>1,635,415</u>
Net book value	
At 31 October 2020	<u><u>5</u></u>
At 30 April 2019	<u><u>105</u></u>

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Asset Manufacturing Limited	Ordinary	100%
A & B Glass Properties Limited	Ordinary	100%
Coastal Windows Limited	Ordinary	100%
Coastal Limited	Ordinary	100%

All subsidiary undertakings are held directly.

The registered office of all companies is Addison Road, Chilton Industrial Estate, Sudbury, Suffolk, CO10 2YW, England.

All subsidiary undertakings listed above under S394A and S448A of the Companies Act 2006 are exempt from preparing and filing individual accounts. These companies have taken exemption in section 479A of the Companies Act 2006 from the requirements in the Act for their individual accounts to be audited.

John Fredericks Plastics Limited was disposed of during the period. Further details of the discontinued operations are shown in note 24.

Masterlite DG Limited was dissolved during the period resulting in a loss in the Statement of Comprehensive Income of £24,739.

14. Stocks

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Raw materials and consumables	380,000	967,315	380,000	525,995
Work in progress	96,480	341,166	96,480	157,685
Finished goods and goods for resale	297,943	292,453	297,943	211,375
	<u>774,423</u>	<u>1,600,934</u>	<u>774,423</u>	<u>895,055</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Impairment losses totalling £Nil (2019 - £Nil) were recognised in profit and loss.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

15. Debtors

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Trade debtors	6,117,941	10,913,944	6,117,941	9,271,277
Amounts owed by group undertakings	1,735,155	2,031,103	1,735,150	2,031,103
Other debtors	153,154	331,042	153,154	331,042
Prepayments and accrued income	300,081	288,486	300,081	217,421
Corporation tax recoverable	-	35,003	-	35,003
	8,306,331	13,599,578	8,306,326	11,885,846

Included within trade debtors are amounts that are subject to the invoice discounting agreement.

The impairment loss recognised in the statement of comprehensive income in respect of bad or doubtful trade debtors was £152,141 (2019: £81,776).

16. Creditors: Amounts falling due within one year

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Debt factoring (secured)	1,674,303	4,407,850	1,674,303	3,491,853
Trade creditors	2,947,299	6,251,588	2,947,299	4,779,508
Amounts owed to group undertakings	-	29,277	-	286,056
Corporation tax	89,518	57,307	89,518	57,307
Other taxation and social security	562,102	934,071	562,102	745,195
Obligations under finance lease and hire purchase contracts	15,125	129,759	15,125	129,759
Directors' loan account	28,616	33,750	28,616	33,750
Other creditors	135,741	64,221	135,741	64,221
Accruals and deferred income	433,813	625,782	433,814	386,522
	5,886,517	12,533,605	5,886,518	9,974,171

The debt factoring is secured by a fixed and floating charge over all group assets and undertakings. Obligations under hire purchase contracts are secured on the underlying assets.

Amounts owed to group undertakings are interest free and repayable on demand.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

17. Creditors: Amounts falling due after more than one year

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Obligations under finance leases and hire purchase contracts	3,839	38,233	3,839	38,233

Obligations under hire purchase contracts are secured on the underlying assets.

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Within one year	15,125	129,759	15,125	129,759
Between 1-5 years	3,839	38,233	3,839	38,233
	18,964	167,992	18,964	167,992

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

19. Deferred taxation

Group

	2020 £	2019 £
At beginning of period/year	81,365	91,330
Credited to profit or loss	(26,752)	(9,965)
Disposal of subsidiary	(2,419)	-
At end of period/year	52,194	81,365

Company

	2020 £	2019 £
At beginning of period/year	78,946	84,147
Credited to profit or loss	(26,752)	(5,201)
At end of period/year	52,194	78,946

The provision for deferred taxation is made up as follows:

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Accelerated capital allowances	54,256	81,365	54,256	78,946
Short term timing difference	(2,062)	-	(2,062)	-
	(52,194)	(81,365)	(52,194)	(78,946)

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

20. Provisions

Group

	Warranty provision £
At 1 May 2019	197,079
Charged to profit or loss	303,747
Utilised in period	(367,544)
On disposal of subsidiary	(31,757)
At 31 October 2020	101,525

Company

	Warranty provision £
At 1 May 2019	165,322
Charged to profit or loss	303,747
Utilised in period	(367,544)
At 31 October 2020	101,525

The warranty provision relates to potential costs under a warranty on products. The provision is based on expected costs to be incurred based on previous warranty claims

21. Share capital

	31 October 2020 £	30 April 2019 £
Allotted, called up and fully paid		
74 (2019 - 74) Ordinary shares of £1.00 each	74	74

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at the annual general meetings of the Company.

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

22. Reserves

Share capital

The called up share capital reserve represents the nominal value of the shares issued.

Other reserves

Other reserves represents the company's purchase of its own shares in the year ended 30 April 1995.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

23. Analysis of net debt

	At 1 May 2019 £	Cash flows £	Disposal of subsidiaries £	At 31 October 2020 £
Cash at bank and in hand	166,026	(139,176)	-	26,850
Debt due within 1 year	(4,407,850)	2,076,169	657,378	(1,674,303)
Finance leases	(167,992)	149,028	-	(18,964)
	<u>(4,409,816)</u>	<u>2,086,021</u>	<u>657,378</u>	<u>(1,666,417)</u>

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

24. Discontinued operations

On 31 October 2019 the Group disposed of John Fredericks Plastics Limited. The loss on disposal of John Fredericks Plastics Limited has been calculated as follows:

	£
Cash proceeds	-
Net assets disposed of:	
Tangible fixed assets	(128,953)
Stock	(700,074)
Debtors	(1,945,564)
Cash	657,378
Creditors	2,047,201
Provision for liabilities and charges	2,419
	<u>67,593</u>
Loss on disposal before tax	<u><u>67,593</u></u>
	£

25. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £213,581 (2019 - £155,647). Contributions totalling £27,398 (2019 - £44,282) were payable to the fund at the reporting date and are included in creditors.

26. Commitments under operating leases

At 31 October 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 31 October 2020 £	Group 30 April 2019 £	Company 31 October 2020 £	Company 30 April 2019 £
Not later than 1 year	479,675	762,448	479,675	503,844
Later than 1 year and not later than 5 years	242,178	1,330,847	242,178	860,220
	<u>721,853</u>	<u>2,093,295</u>	<u>721,853</u>	<u>1,364,064</u>

A. & B. Glass Company Limited

Notes to the Financial Statements For the Period Ended 31 October 2020

27. Related party transactions

The company has taken advantage of exemptions in relation to the disclosure of transactions with 100% owned group companies where consolidated accounts have been prepared.

None of the directors received any emoluments from the group in either the current or previous year. The directors are considered to be the only key management personnel. The directors' remuneration is paid through the ultimate parent company, SDSDAB Limited.

At the year end the group owed the shareholders of SDSDAB Limited, who are also directors, £28,616 (2019: £33,750). This amount is included in creditors.

As detailed in note 24, on 31 October 2019 John Fredericks Plastics Limited was formally demerged from A. & B. Glass Company Limited. D F Barrett and S D Stone, directors of the Company, are shareholders of John Fredericks Plastics Limited.

For the period from 1 November 2019 to 31 October 2020 the Group made sales of £163,757 to John Fredericks Plastics Limited and purchases of £127,426 to John Fredericks Plastics Limited.

At 31 October 2020 the amount owed by John Fredericks Plastics Limited included in trade debtors was £228,202.

At 31 October 2020 the amount owed to John Fredericks Plastics Limited included in trade creditors was £206,047.

At 31 October 2020 the amount owed by John Fredericks Plastics Limited included in other debtors was £36,484.

28. Controlling party

The company's immediate parent company is A & B Glass Holding Company Limited. The company's ultimate parent company is SDSDAB Limited and is the smallest and largest group for which consolidated accounts including A. & B. Glass Company Limited are prepared. The registered office of both companies is Addison Road, Chilton Industrial Estate, Sudbury, Suffolk, CO10 2YW. The consolidated accounts for SDSDAB Limited are available from Companies House.

The directors consider the ultimate controlling party to be D F Barrett, a director and the majority shareholder in SDSDAB Limited.