

Company Registration No. 01543721 (England and Wales)

A & B GLASS COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

A & B GLASS COMPANY LIMITED

COMPANY INFORMATION

Directors	Mr P McManus Mr D Barrett Mr S Stone
Company number	01543721
Registered office	2 Addison Road Sudbury Suffolk CO10 2YW
Auditor	Ensors Accountants LLP Connexions 159 Princes Street Ipswich Suffolk IP1 1QJ
Business address	2 Addison Road Sudbury Suffolk CO10 2YW

A & B GLASS COMPANY LIMITED

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 9
Profit and loss account	10
Statement of comprehensive income	11
Balance sheet	12
Statement of changes in equity	13
Notes to the financial statements	14 - 31

A & B GLASS COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

The directors present the strategic report for the year ended 31 October 2021.

Fair review of the business

Traditionally, the company had a 30 April year end. 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 eighteen month period ended 31 October 2020, and therefore are not directly comparable with those presented for the year ended 31 October 2021.

Turnover for the year at £22,856,148 was lower (on a prorated basis) than £36,000,761 for the period ended 31 October 2020, but profit before tax for the year of £1,008,496 was an improvement on the prior period profit before tax of £229,345.

During the year, the company utilised government support in the form of the Coronavirus Job Retention Scheme under which a total of £220,098 (2020: £1,440,257) has been recognised as other operating income in the consolidated statement of comprehensive income.

After the first lockdown, 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 which continued through to the end of October 2020. This trend continued into 2021 as the company moved away from the lower margin projects it undertook pre-COVID.

Headcount, which peaked at 346 in April 2019, reduced to 262 at first lockdown, and as it became clear that turnover levels were likely to remain below historic figures, a significant headcount reduction was necessary to ensure the long term viability of the business. This took place via a company-wide consultation process that started in October 2020 and was finally completed in March 2021. Headcount at 31 October 2021 stood at 170.

During the consultation process, the company also changed funders. This change took place in January 2021 and provided the company with an enhanced facility for its day to day working capital requirements, together with a £500,000 CBILS loan facility to fund the consultation process and subsequent headcount reduction. The company also changed transactional bankers (from Lloyds to Barclays) and this completed shortly before the year end.

Business environment

The industry has traditionally been extremely competitive, and the company has always faced intense price pressure in the marketplace.

This has continued throughout the year and the well-documented supply chain issues and significant industry-specific inflation have added further challenges when pricing longer term contracts. Wherever possible, the company has tried to work with customers to ensure it can continue to provide satisfactory product quality and service levels at realistic pricing levels.

Strategy

Following the demerger of John Fredericks Plastics Limited, the company has continued to concentrate on servicing the newbuild and commercial sectors. In addition, the update of our retail offering and a revamp of our onsite showroom space has allowed us to take advantage of high consumer demand.

As at the date of this report, the directors are committed to further incremental improvements throughout the business, but there are no plans to materially change the overall strategy.

A & B GLASS COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

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 company'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 strategic action should the need arise.

Price Risk

The company 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 effectively non-existent.

Credit Risk

The company has policies that require appropriate health checks on both potential and existing customers. This credit risk is managed on a proactive basis through the sales process through to debt collection and recovery.

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 the company's invoice discounting facility, the business insures virtually all debts and maintains a broad spread of customers in all divisions.

Brexit Risk

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

Other risks

In view of the ongoing 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 tests in the latest Omicron outbreak, the impact so far has been relatively minor. Directors and senior management continue to proactively monitor the situation, and it is hoped that steadily-increasing vaccination and booster rates will limit any losses.

Future outlook

Despite the macro-economic uncertainty and industry-specific challenges, the company has a large order book and will continue to work diligently to protect margins and profitability. It will also continue to invest in customer-facing projects such as the integrated service hub as a means to increase customer satisfaction and further differentiate us from our industry competitors.

Key performance indicators

The directors consider that the key financial indicators of the business are turnover, gross profit, operating profit, net bank borrowings and short term liquidity. Directors and senior management continually monitor and report on these financial KPIs and are satisfied with the company's performance in relation to them.

Other performance indicators

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

A & B GLASS COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

On behalf of the board

Mr P McManus

Director

29 April 2022

A & B GLASS COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

The directors present their annual report and financial statements for the year ended 31 October 2021.

Principal activities

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

Results and dividends

The results for the year are as follows:

	Year ended	18m ended	Year ended	Year ended	Year ended
	31-Oct	31-Oct	30-Apr	30-Apr	30-Apr
	2021	2020	2019	2018	2017
	£000	£000	£000	£000	£000
Turnover	22,856	36,001	33,145	30,621	26,042
Gross Profit	6,992	8,729	6,684	6,772	5,474
Operating profit/(loss)	1,058	357	-800	387	-194
Net bank borrowings	1,569	1,674	3,386	3,158	2,920

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P McManus
Mr D Barrett
Mr S Stone

Qualifying third party indemnity provisions

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

Financial instruments

The company'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 company's risk. The company's finances its operations by a mixture of retained profits, cash and an invoice discounting facility.

Business relationships

The company is reliant on a small number of key suppliers, most of whom are industry-specific. Close working relationships have always been key and particularly so since May 2020 as the industry has faced significant challenges maintaining continuity of supply in the light of worldwide shortages of raw materials and reduction in shipping capacity.

Both the newbuild and commercial divisions of the company 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.

As detailed in the Strategic Report, the company changed funders and bankers during the year, and managing relationships with both are crucial. This involves ensuring access to funding, the management of headroom and cashflow; together with the smooth interaction between internal and external personnel.

Post reporting date events

There are no material post balance sheet events to report.

A & B GLASS COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Auditor

In accordance with the company's articles, a resolution proposing that Ensors Accountants LLP be reappointed as auditor of the company will be put at a General Meeting.

Matters covered in the strategic report

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The company'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 3.

The directors have reviewed the company's recent trading performance and its forecasts through to October 2023 to assess the required level of finance. In their consideration of going concern, the directors have reviewed the cash forecasts and revenue projections, which they believe are prudent, and take into account the potential impact of future COVID-19, based on its effect on trading in 2020 & 2021. Forecasts for the years ended 31 October 2022 & 2023 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 is well-established and has long-standing relationships with both customers and suppliers. The recent reduction in turnover and headcount has given the directors confidence that the company enjoys a new-found flexibility that will allow it to adapt to challenges to the commercial environment that the current Omicron variant or any other issue may present it with. For these reasons the directors continue to adopt the going concern basis in preparing these financial statements.

On behalf of the board

Mr P McManus

Director

29 April 2022

A & B GLASS COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2021

The directors are responsible for preparing the annual 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 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;
- 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 'company') for the year ended 31 October 2021 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 October 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

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

A & B GLASS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A & B GLASS COMPANY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;
- reviewed and challenged accounting estimates to ensure no indication of management bias.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A & B GLASS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A & B GLASS COMPANY LIMITED

A further description of our responsibilities is available 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Barry Gostling (Senior Statutory Auditor)
For and on behalf of Ensors Accountants LLP

29 April 2022

Chartered Accountants
Statutory Auditor

Connexions
159 Princes Street
Ipswich
Suffolk
IP1 1QJ

A & B GLASS COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Turnover	3	22,856,148	36,000,761
Cost of sales		(15,864,111)	(27,271,817)
Gross profit		6,992,037	8,728,944
Administrative expenses		(6,153,457)	(9,812,176)
Other operating income		220,098	1,440,257
Operating profit	4	1,058,678	357,025
Interest payable and similar expenses	6	(50,182)	(127,680)
Profit before taxation		1,008,496	229,345
Tax on profit	7	(171,863)	(98,282)
Profit for the financial year		836,633	131,063

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

A & B GLASS COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 OCTOBER 2021

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Profit for the year	836,633	131,063
Other comprehensive income	-	-
Total comprehensive income for the year	<u>836,633</u>	<u>131,063</u>

A & B GLASS COMPANY LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2021

		31 October 2021		31 October 2020	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	8		10,572		11,366
Tangible assets	9		598,514		604,950
Investments	10		5		5
			<u>609,091</u>		<u>616,321</u>
Current assets					
Stocks	12	872,153		774,423	
Debtors	13	7,848,836		8,306,326	
Cash at bank and in hand		404,285		26,850	
		<u>9,125,274</u>		<u>9,107,599</u>	
Creditors: amounts falling due within one year	14	(4,810,164)		(5,886,518)	
Net current assets			<u>4,315,110</u>		<u>3,221,081</u>
Total assets less current liabilities			<u>4,924,201</u>		<u>3,837,402</u>
Creditors: amounts falling due after more than one year	15		(278,218)		(3,839)
Provisions for liabilities					
Provisions	18	44,089		101,525	
Deferred tax liability	19	85,417		52,194	
		<u>(129,506)</u>		<u>(153,719)</u>	
Net assets			<u><u>4,516,477</u></u>		<u><u>3,679,844</u></u>
Capital and reserves					
Called up share capital	21		74		74
Other reserves			26		26
Profit and loss reserves			<u>4,516,377</u>		<u>3,679,744</u>
Total equity			<u><u>4,516,477</u></u>		<u><u>3,679,844</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 April 2022 and are signed on its behalf by:

Mr P. McManus
Director

Company Registration No. 01543721

A & B GLASS COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2021

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 May 2019	74	26	3,548,681	3,548,781
Period ended 31 October 2020:				
Profit and total comprehensive income for the period	-	-	131,063	131,063
Balance at 31 October 2020	74	26	3,679,744	3,679,844
Year ended 31 October 2021:				
Profit and total comprehensive income for the year	-	-	836,633	836,633
Balance at 31 October 2021	74	26	4,516,377	4,516,477

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Company information

A & B Glass Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Addison Road, Sudbury, Suffolk, CO10 2YW. The nature of the company's operations and its principal activities can be found in the Directors' report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of SDSDAB Limited. These consolidated financial statements are available from its registered office, Addison Road, Chilton Industrial Estate, Sudbury, Suffolk, CO10 2YW.

1.2 Going concern

The company's business activities, together with the factors likely to affect future development, performance and position are set out in the strategic report on pages 1 to 3.

The Directors have reviewed the historic trading performance of the company and the company's forecasts through to October 2023 in their consideration of going concern. The Directors have reviewed 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 COVID-19 pandemic. Forecasts for the year to October 2022 show that the company will remain profitable and there is sufficient headroom in available funding facilities to continue as a going concern and meet its liabilities as they fall due.

For these reasons, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.3 Reporting period

The comparative reporting period was extended to the 18 months ended 31 October 2020 with the COVID-19 pandemic lockdown starting on 24 March 2020. The comparative amounts presented in the financial statements (including related notes) are therefore not entirely comparable.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on delivery of the goods and, where applicable installation), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to labour costs and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and has been amortised on a systematic basis over its expected life, which was considered to be 20 years.

1.6 Intangible fixed assets other than goodwill

Other intangible assets are recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% per annum
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.12 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified 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 after deducting all of its liabilities.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Invoice financing

The Company has an invoice discounting agreement. The amount owed by customers to the Company 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 company 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Provisions

Provisions is made for liabilities arising in respect of extended warranty claims on warranties provided in conjunction with the sale of goods. Provisions are recognised when the Company 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.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.19 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- In categorising leases as hire purchases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the company as lessee.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

- The cost element of stock carried forward in the statement of financial position at the period end 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 reporting 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.
- 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 controls processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

3 Turnover and other revenue

The whole turnover is attributable to the principal business activity.

All turnover arose within the United Kingdom.

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Other significant revenue		
Coronavirus job retention scheme	220,098	1,440,257

4 Operating profit

Operating profit for the year is stated after charging/(crediting):

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Fees payable to the company's auditor for the audit of the company's financial statements	18,000	25,750
Depreciation of owned tangible fixed assets	150,497	318,950
Loss/(profit) on disposal of tangible fixed assets	1,991	(796)
Amortisation of intangible assets	13,588	4,871
Operating lease charges	363,226	586,080

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	Year ended 31 October 2021 Number	18 months ended 31 October 2020 Number
Production and administration	185	279

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

5 Employees

(Continued)

Their aggregate remuneration comprised:

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Wages and salaries	5,017,326	9,931,255
Social security costs	457,851	835,405
Pension costs	77,094	182,738
	<u>5,552,271</u>	<u>10,949,398</u>

6 Interest payable and similar expenses

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Interest on invoice finance arrangements	48,867	114,170
Interest on finance leases and hire purchase contracts	1,315	13,510
	<u>50,182</u>	<u>127,680</u>

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

7 Taxation

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Current tax		
UK corporation tax on profits for the current period	182,075	95,267
Adjustments in respect of prior periods	(43,435)	29,767
Total current tax	138,640	125,034
Deferred tax		
Origination and reversal of timing differences	33,223	(26,752)
Total tax charge	171,863	98,282

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Profit before taxation	1,008,496	229,345
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (31 October 2020: 19.00%)	191,614	43,576
Tax effect of expenses that are not deductible in determining taxable profit	1,872	1,983
Adjustments in respect of prior years	(43,435)	29,767
Effect of change in corporation tax rate	16,482	9,288
Other timing differences	5,330	13,668
Taxation charge for the year	171,863	98,282

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

8 Intangible fixed assets

	Goodwill £	Software £	Total £
Cost			
At 1 November 2020	1,202,947	21,089	1,224,036
Additions	-	12,794	12,794
At 31 October 2021	1,202,947	33,883	1,236,830
Amortisation and impairment			
At 1 November 2020	1,202,947	9,723	1,212,670
Amortisation charged for the year	-	13,588	13,588
At 31 October 2021	1,202,947	23,311	1,226,258
Carrying amount			
At 31 October 2021	-	10,572	10,572
At 31 October 2020	-	11,366	11,366

9 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 November 2020	221,650	4,291,637	364,090	870,616	5,747,993
Additions	-	136,762	-	13,290	150,052
Disposals	-	-	-	(154,298)	(154,298)
At 31 October 2021	221,650	4,428,399	364,090	729,608	5,743,747
Depreciation and impairment					
At 1 November 2020	207,419	3,917,836	311,804	705,984	5,143,043
Depreciation charged in the year	12,027	47,742	28,758	61,970	150,497
Eliminated in respect of disposals	-	-	-	(148,307)	(148,307)
At 31 October 2021	219,446	3,965,578	340,562	619,647	5,145,233
Carrying amount					
At 31 October 2021	2,204	462,821	23,528	109,961	598,514
At 31 October 2020	14,231	373,801	52,286	164,632	604,950

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

9 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	31 October 2021 £	31 October 2020 £
Plant and equipment	109,434	-
Motor vehicles	-	29,118
	<u>109,434</u>	<u>29,118</u>

10 Fixed asset investments

	Notes	31 October 2021 £	31 October 2020 £
Investments in subsidiaries	11	5	5

11 Subsidiaries

Details of the company's subsidiaries at 31 October 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Asset Manufacturing Limited	United Kingdom	Ordinary	100.00
A & B Glass Properties Limited	United Kingdom	Ordinary	100.00
Coastal Windows Limited	United Kingdom	Ordinary	100.00
Coastal Limited	United Kingdom	Ordinary	100.00

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.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

12 Stocks

	31 October 2021 £	31 October 2020 £
Raw materials and consumables	331,140	380,000
Work in progress	227,930	96,480
Finished goods and goods for resale	313,083	297,943
	<u>872,153</u>	<u>774,423</u>

13 Debtors

	31 October 2021 £	31 October 2020 as restated £
Amounts falling due within one year:		
Trade debtors	4,424,545	4,948,956
Amounts owed by group undertakings	1,801,675	1,735,150
Other debtors	274,414	153,154
Prepayments and accrued income	293,911	300,081
	<u>6,794,545</u>	<u>7,137,341</u>
	31 October 2021 £	31 October 2020 as restated £
Amounts falling due after more than one year:		
Trade debtors	1,054,291	1,168,985
	<u>1,054,291</u>	<u>1,168,985</u>
Total debtors	<u>7,848,836</u>	<u>8,306,326</u>

The comparative year has been restated in respect of £1,168,985 of retention debtors which are due in greater than one year.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

14 Creditors: amounts falling due within one year

	Notes	31 October 2021 £	31 October 2020 £
Obligations under finance leases	17	33,361	15,125
Other borrowings	16	166,665	-
Trade creditors		2,589,937	2,947,299
Corporation tax		182,075	89,518
Other taxation and social security		190,011	562,102
Invoice financing (secured)		1,194,479	1,674,303
Other creditors		126,574	164,357
Accruals and deferred income		327,062	433,814
		<u>4,810,164</u>	<u>5,886,518</u>

The invoice financing is secured by a fixed and floating charge over the Company's assets and undertakings.

Obligations under hire purchase are secured on the underlying assets.

15 Creditors: amounts falling due after more than one year

	Notes	31 October 2021 £	31 October 2020 £
Obligations under finance leases	17	69,883	3,839
Other borrowings	16	208,335	-
		<u>278,218</u>	<u>3,839</u>

16 Loans and overdrafts

	31 October 2021 £	31 October 2020 £
Other loans	375,000	-
	<u>375,000</u>	<u>-</u>
Payable within one year	166,665	-
Payable after one year	208,335	-
	<u>375,000</u>	<u>-</u>

The long-term loan has been part guaranteed by the UK Government under the Coronavirus Business Interruption Loan scheme ("CBILS"). The guarantee provides a partial guarantee, should the Company default on repaying the CBILS facility.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

16 Loans and overdrafts

(Continued)

The Company borrowed £500,000 from IGF Business Credit Limited during the year ended 31 October 2021 under the CBILS. The loan will be repaid over a loan term of three years from the date the loan is first drawn down. Interest will be charged at 5.95% per annum over the base rate of National Westminster bank plc (currently 0.75%).

17 Finance lease obligations

	31 October 2021	31 October 2020
	£	£
Future minimum lease payments due under finance leases:		
Within one year	33,361	15,125
In two to five years	69,883	3,839
	<u>103,244</u>	<u>18,964</u>

18 Provisions for liabilities

	31 October 2021	31 October 2020
	£	£
Warranty provision	<u>44,089</u>	<u>101,525</u>
Movements on provisions:		
		Warranty provision £
At 1 November 2020		101,525
Amounts credited to the profit and loss account		(57,436)
At 31 October 2021		<u>44,089</u>

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

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 31 October 2021 £	Liabilities 31 October 2020 £
Balances:		
Accelerated capital allowances	86,828	54,256
Short term timing differences	(1,411)	(2,062)
	<u>85,417</u>	<u>52,194</u>
	31 October 2021	
Movements in the year:		£
Liability at 1 November 2020		52,194
Charge to profit or loss		33,223
		<u>85,417</u>
Liability at 31 October 2021		<u>85,417</u>

Factors that may affect future tax charges

As at 31 October 2021, the main rate of corporation tax in the UK was 19%. In the 2021 Spring Budget, it was proposed that the main rate of corporation tax will increase from the current 19% to 25% from 1 April 2023. This was then enacted when the Finance Bill 2021 received royal assent on 10 June 2021. Based on anticipated trading activity of the Company the rate used to determine deferred tax liabilities is 25%.

20 Retirement benefit schemes

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>77,094</u>	<u>182,738</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

21 Share capital

	31 October 2021 Number	31 October 2020 Number	31 October 2021 £	31 October 2020 £
Ordinary share capital Issued and fully paid 74 of £1 each	74	74	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.

22 Financial commitments, guarantees and contingent liabilities

A cross party guarantee between the entity and an entity in which Directors have common significant influence is in place to secure the Companies' invoice financing facilities during the current and comparative period. This includes fixed charges and floating charges over the Company's undertakings, property, rights and assets, both present and future.

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Year ended 31 October 2021 £	18 months ended 31 October 2020 £
Within one year	299,273	479,675
Between two and five years	133,406	242,178
	<u>432,679</u>	<u>721,853</u>

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	31 October 2021 £	31 October 2020 £
Acquisition of tangible fixed assets	<u>266,594</u>	<u>-</u>

A & B GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

25 Related party transactions

Transactions with related parties

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 Company 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.

During the year the company entered into the following transactions with related parties:

Entities in which Directors have common significant influence

During the year the company made sales of £126,498 (18 months ended 2020: £163,757) and made purchase of £73,136 (18 months ended 2020: £127,426).

At the year end, the amount owed included in trade debtors was £nil (2020: £228,202) and the amount owed included in trade creditors was £nil (2020: £206,427).

At the year end, the amount owed included in other debtors was £nil (2020: £36,484).

At the year end the Company owed the shareholders of SDSDAB Limited, who are also Directors, £21,818 (2020: £28,616). During the year, £42,313 was loaned to the Company and interest was not charged on the loans. The amount is included in other creditors.

26 Ultimate 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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.