

**FLOAT GLASS INDUSTRIES LIMITED**  
**DIRECTORS' REPORT**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2001**



# FLOAT GLASS INDUSTRIES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R E Offland K B Offland
<b>Secretary</b>	R M Lunn
<b>Company number</b>	2570683
<b>Registered office</b>	Float House Floats Road Manchester M23 9QA
<b>Auditors</b>	Booth Ainsworth Ashfield House, Ashfield Road Cheadle Cheshire SK8 1BE
<b>Business address</b>	Float House Floats Road Manchester M23 9QA
<b>Bankers</b>	HSBC Bank Plc PO Box 360 100 King Street Manchester M60 2HD
<b>Solicitors</b>	George Davies & Co Fountain Court , 68 Fountain Street Manchester M2 2FB

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# FLOAT GLASS INDUSTRIES LIMITED

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# FLOAT GLASS INDUSTRIES LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2001

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The directors present their report and financial statements for the year ended 31 January 2001.

### Principal activities and review of the business

The principal activities of the company are those of glass importers and wholesalers.

### Results and dividends

The results for the year are set out on page 3.

### Directors

The following directors have held office since 1 February 2000:

R E Offland

K B Offland

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 January 2001	1 February 2000
R E Offland	-	-
K B Offland	-	-

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Booth Ainsworth be reappointed as auditors of the company will be put to the Annual General Meeting.


### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



R E Offland

Director

27th September 2001

# FLOAT GLASS INDUSTRIES LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FLOAT GLASS INDUSTRIES LIMITED

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We have audited the financial statements of Float Glass Industries Limited on pages 3 to 10 for the year ended 31 January 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.


### Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Booth Ainsworth

Chartered Accountants  
Registered Auditor

27 September 2001

Ashfield House, Ashfield Road  
Cheadle  
Cheshire  
SK8 1BE

# FLOAT GLASS INDUSTRIES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2001

	Notes	2001 £	2000 £
Turnover	2	10,971,509	3,242,571
Cost of sales		(8,814,364)	(3,158,840)
<b>Gross profit</b>		<b>2,157,145</b>	<b>83,731</b>
Distribution costs		(293,840)	-
Administrative expenses		(2,245,912)	(1,084,750)
Other operating income		451	780,060
<b>Operating loss</b>	<b>3</b>	<b>(382,156)</b>	<b>(220,959)</b>
Investment income	4	229	-
Other interest receivable and similar income		92,012	3,373
Interest payable and similar charges	5	(157,161)	(20,879)
<b>Loss on ordinary activities before taxation</b>		<b>(447,076)</b>	<b>(238,465)</b>
Tax on loss on ordinary activities	6	-	11,992
<b>Loss on ordinary activities after taxation</b>	<b>11</b>	<b>(447,076)</b>	<b>(226,473)</b>

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

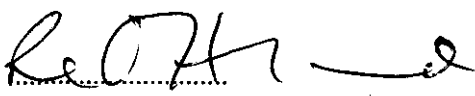
There are no recognised gains and losses other than those passing through the profit and loss account.

# FLOAT GLASS INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31 JANUARY 2001

	Notes	2001 £	£	2000 £	£
<b>Current assets</b>					
Stocks	7	447,344		661,023	
Debtors	8	2,259,466		1,576,183	
Cash at bank and in hand		649		430,255	
		<u>2,707,459</u>		<u>2,667,461</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(3,138,278)</u>		<u>(2,651,205)</u>	
<b>Total assets less current liabilities</b>			<u>(430,819)</u>		<u>16,256</u>
<b>Capital and reserves</b>					
Called up share capital	10		25,000		25,000
Profit and loss account	11		<u>(455,819)</u>		<u>(8,744)</u>
<b>Shareholders' funds - equity interests</b>	12		<u>(430,819)</u>		<u>16,256</u>

The financial statements were approved by the Board on 27<sup>th</sup> September 2001

  
 R E Offland  
 Director

# FLOAT GLASS INDUSTRIES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2001

	2001 £	2000 £
Net cash (outflow)/inflow from operating activities	(1,664,647)	459,754
Returns on investments and servicing of finance		
Interest received	76,848	3,373
Interest paid	(157,161)	(20,879)
Dividends received	229	-
	<u>          </u>	<u>          </u>
Net cash outflow for returns on investments and servicing of finance	(80,084)	(17,506)
Taxation	-	(11,992)
	<u>          </u>	<u>          </u>
Net cash (outflow)/inflow before management of liquid resources and financing	(1,744,731)	430,256
	<u>          </u>	<u>          </u>
(Decrease)/increase in cash in the year	<u><u>(1,744,731)</u></u>	<u><u>430,256</u></u>



# FLOAT GLASS INDUSTRIES LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2001

1	Reconciliation of operating loss to net cash (outflow)/inflow from operating activities	2001		2000	
		£		£	
	Operating loss	(382,156)		(220,959)	
	Decrease/(increase) in stocks	213,679		(643,416)	
	Increase in debtors	(668,119)		(1,019,084)	
	(Decrease)/Increase in creditors within one year	(828,051)		2,343,213	
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,664,647)</b>		<b>459,754</b>	
2	Analysis of net funds	1 February 2000	Cash flow	Other non-cash changes	31 January 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	430,255	(429,606)	-	649
	<b>Net funds</b>	<b>430,255</b>	<b>(429,606)</b>	<b>-</b>	<b>649</b>
3	Reconciliation of net cash flow to movement in net funds	2001		2000	
		£		£	
	(Decrease)/increase in cash in the year	(429,606)		430,255	
	<b>Movement in net funds in the year</b>	<b>(429,606)</b>		<b>430,255</b>	
	Opening net funds	430,255		-	
	<b>Closing net funds</b>	<b>649</b>		<b>430,255</b>	

# FLOAT GLASS INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2001

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

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

#### 1.3 Leasing and hire purchase commitments

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

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

#### 1.4 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.6 Government grants

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

#### 1.7 Going Concern

The company is dependent on the continued support of its holding company to continue as a going concern. The directors of the holding company have agreed to provide such financial support as it may require, to enable it to continue as a going concern for a minimum of one year from the date of approval of the accounts.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating loss

	2001	2000
	£	£
Operating loss is stated after charging:		
Operating lease rentals	350,000	118,456
Auditors' remuneration	15,000	6,650
and after crediting:		
Government grants	451	-

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# FLOAT GLASS INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

<b>4</b>	<b>Investment income</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Income from fixed asset investments	229	-
<b>5</b>	<b>Interest payable</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	93,215	14,886
	Hire purchase interest	63,946	5,993
		157,161	20,879
<b>6</b>	<b>Taxation</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year taxation</b>		
	U.K. corporation tax	-	(11,992)
<b>7</b>	<b>Stocks</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Finished goods and goods for resale	447,344	661,023
<b>8</b>	<b>Debtors</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Trade debtors	2,123,930	1,464,515
	Corporation tax	11,992	11,992
	Other debtors	19,538	7,539
	Prepayments and accrued income	104,006	92,137
		2,259,466	1,576,183

# FLOAT GLASS INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts	1,315,124	-
	Trade creditors	1,283,421	920,418
	Amounts owed to parent and fellow subsidiary undertakings	198,814	1,525,857
	Taxes and social security costs	211,191	122,259
	Other creditors	55,927	23,655
	Accruals and deferred income	73,801	59,016
		<u>3,138,278</u>	<u>2,651,205</u>
	Bank overdrafts are secured.		
<b>10</b>	<b>Share capital</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	100,000 Ordinary shares of £ 1 each	<u>100,000</u>	<u>100,000</u>
	<b>Allotted, called up and fully paid</b>		
	25,000 Ordinary shares of £ 1 each	<u>25,000</u>	<u>25,000</u>
<b>11</b>	<b>Statement of movements on profit and loss account</b>		
			<b>Profit and loss account £</b>
	Balance at 1 February 2000		(8,743)
	Retained loss for the year		<u>(447,076)</u>
	Balance at 31 January 2001		<u>(455,819)</u>
<b>12</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Loss for the financial year	(447,076)	(226,473)
	Opening shareholders' funds	<u>16,256</u>	<u>242,729</u>
	Closing shareholders' funds	<u>(430,819)</u>	<u>16,256</u>

# FLOAT GLASS INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

### 13 Employees

#### Number of employees

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

	2001 Number	2000 Number
Administration	11	2
Production	90	6
Sales/marketing	10	3
	<u>111</u>	<u>11</u>

#### Employment costs

	£	£
Wages and salaries	1,766,343	510,003
Social security costs	152,181	20,368
	<u>1,918,524</u>	<u>530,371</u>

### 14 Control

The company is a wholly owned subsidiary of Wright and Offland Holdings Limited, a company registered in the United Kingdom, which is controlled by Mr K B Offland and Mr R E Offland who are directors of the company.

### 15 Related party transactions

During the year the company had the following transactions with it's holding company, Wright and Offland Holdings Limited.

The company rented land and buildings £40,837, computers £26,128, fixtures and fittings £47,301, motor vehicles £13,422, plant and machinery £144,229 and commercial vehicles £78,083. Development grants receivable of £451 were recharged to the company as were finance charges of £61,011. A management charge of £150,000 was also payable. At 31 January 2001 there was a balance owing to Wright and Offland Holdings Limited of £198,814..