

**REGISTRAR OF
COMPANIES**

Apple Panels Limited

**Annual Report and Financial Statements
Year Ended 31 March 2017**

Registration number: 03937246





Apple Panels Limited

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Apple Panels Limited

Company Information

Director S D Hill

Registered office Unit 397 Aviation Business Park
Bournemouth International Airport
Christchurch
Dorset
BH23 6NW

Auditors PKF Francis Clark
Chartered Accountants & Registered Auditors
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Apple Panels Limited

Strategic Report

Year Ended 31 March 2017

The director presents his strategic report for the year ended 31 March 2017.

Principal activity

The principal activity of the company is the manufacture and installation of windows, doors and conservatories.

Fair review of the business

The company has continued to maintain satisfactory revenue income in the year despite the challenging economic environment and continued impact of changes made to the Group structure during the previous financial year. Following the re-structuring within the Group, the current year has been impacted by the cost of claims arising following the closure of one of the Group companies. Despite the challenging conditions the Director believes that the outlook for the company remains very positive, as it is believed that all exceptional costs arising out of the Group restructure have now been incurred and based upon the post balance sheet management accounts, turnover remains at a consistent level, with an indication of profits during 2017/18. At the year end, the net liabilities totalled £231,322 (2016 : net assets - £333,931).

The company's key financial and other performance indicators during the year were as follows:

	Unit	2017	2016
Turnover (including commission)	£	11,311,963	11,089,079
Gross profit margin	%	39	43
Profit/(loss) before tax	£	(592,753)	(400,810)

Principal risks, uncertainties and financial instruments

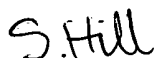
The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Approved by the Board on 17/11/18 and signed on its behalf by:



S D Hill
Director

Apple Panels Limited

Director's Report

Year Ended 31 March 2017

The director presents his report and the financial statements for the year ended 31 March 2017.

Director of the company

The director who held office during the year was as follows:

S D Hill

Future developments

Apple is committed to looking for new revenue streams to compliment the existing core product range and to ensure that the Group returns to profitability.

Other Matters

In accordance with section 414c(11) of the Companies Act 2006, information regarding financial instruments and future developments have been disclosed in the Strategic report.

Disclosure of information to the auditors

The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and of which he knows the auditors are unaware.

Approved by the Board on 17/1/18..... and signed on its behalf by:

S. Hill

S D Hill
Director

Apple Panels Limited

Statement of Director's Responsibilities

The director acknowledges his responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Apple Panels Limited

Independent Auditor's Report to the Members of Apple Panels Limited

We have audited the financial statements of Apple Panels Limited for the year ended 31 March 2017, set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

Respective responsibilities of the director and auditor

As explained more fully in the Statement of Director's Responsibilities (set out on page 4), the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss 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.

Apple Panels Limited

Independent Auditor's Report to the Members of Apple Panels Limited

Opinion on other matter 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

In the light of our 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 Director's Report.

Matters on which we are required to report by exception

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

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



William Law BSc FCA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Date: 26/01/18

Apple Panels Limited

Profit and Loss Account

Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover		11,311,963	11,089,079
Cost of sales		<u>(6,933,158)</u>	<u>(6,323,402)</u>
Gross profit		4,378,805	4,765,677
Administrative expenses		<u>(4,520,690)</u>	<u>(4,538,781)</u>
Operating (loss)/profit	3	<u>(141,885)</u>	<u>226,896</u>
Other interest receivable and similar income	5	-	149
Interest payable and similar charges	6	(8,984)	(3,380)
Exceptional item	4	<u>(441,884)</u>	<u>(624,475)</u>
		<u>(450,868)</u>	<u>(627,706)</u>
Loss before tax		(592,753)	(400,810)
Taxation	10	<u>27,500</u>	<u>(52,869)</u>
Loss for the financial year		<u><u>(565,253)</u></u>	<u><u>(453,679)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

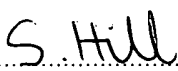
Apple Panels Limited

Balance Sheet

31 March 2017

	Note	2017 £	2016 £
Current assets			
Stocks	12	105,370	142,615
Debtors	13	1,127,924	1,500,227
Cash at bank and in hand	14	434,790	556,619
		<u>1,668,084</u>	<u>2,199,461</u>
Creditors: Amounts falling due within one year	15	<u>(1,899,406)</u>	<u>(1,865,530)</u>
Net (liabilities)/assets		<u>(231,322)</u>	<u>333,931</u>
Capital and reserves			
Called up share capital	17	3	3
Profit and loss account		<u>(231,325)</u>	<u>333,928</u>
Total equity		<u>(231,322)</u>	<u>333,931</u>

Approved and authorised by the director on 17/1/18


S D Hill
Director

Company Registration Number: 03937246

Apple Panels Limited

Statement of Changes in Equity

Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	3	333,928	333,931
Loss for the year	-	(565,253)	(565,253)
Total comprehensive income	-	(565,253)	(565,253)
At 31 March 2017	3	(231,325)	(231,322)

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	3	787,607	787,610
Loss for the year	-	(453,679)	(453,679)
Total comprehensive income	-	(453,679)	(453,679)
At 31 March 2016	3	333,928	333,931

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

Unit 397 Aviation Business Park
Bournemouth International Airport
Christchurch
Dorset
BH23 6NW
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Change in basis of accounting and basis statement of compliance

The company's financial statements have been prepared in accordance with FRS102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Summary of disclosure exemptions

Apple Panels Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain disclosure exemptions available to it. These exemptions relate to the presentation of a cash flow statement and disclosure of compensation to key management personnel. The disclosure of this information is given in the accounts of its parent company, Apple Group Holdings Limited.

Name of parent of group

These financial statements are consolidated in the financial statements of Apple Group Holdings Limited.

The financial statement of Apple Group Holdings Limited may be obtained from Companies House.

Going concern

The financial statements have been prepared on a going concern basis despite net liabilities at the balance sheet date. The company has traded post balance sheet date and is generating a profit. The company has the continued support of its parent and director.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when the fitting takes place. Where invoices are raised for contracts before year end but fitting is carried out after year end the amounts are taken out of sales and moved into deferred income.

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

Goodwill

Goodwill is the difference between fair value and consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 years straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress 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, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Operating loss

Arrived at after charging/(crediting)

	2017 £	2016 £
Auditor's remuneration - The audit of the company's annual accounts	<u>7,500</u>	<u>7,000</u>

4 Exceptional item

The exceptional item in the current year of £441,884 relates to customer claims being made against the company which relate to a former fellow subsidiary company which went into liquidation in the previous financial year.

The exceptional item in the prior year of £624,475 relates to the full write off of inter company balances with fellow subsidiaries. The fellow subsidiaries went into liquidation during the year ended 31 March 2016.

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

5 Other interest receivable and similar income

	2017 £	2016 £
Interest income on bank deposits	-	149

6 Interest payable and similar expenses

	2017 £	2016 £
Other finance costs	8,984	3,380

7 Staff costs

The aggregate payroll costs (including director's remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	1,286,302	958,278
Social security costs	108,156	76,787
Pension costs, defined contribution scheme	7,424	5,506
Redundancy costs	-	56,223
Other employee expense	7,618	3,705
	<u>1,409,500</u>	<u>1,100,499</u>

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	28	32
Sales, marketing and distribution	20	41
	<u>48</u>	<u>73</u>

8 Director's remuneration

The director's remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	<u>9,051</u>	<u>22,133</u>

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

9 Auditor's remuneration

	2017 £	2016 £
Audit of the financial statements	<u>7,500</u>	<u>7,000</u>

10 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	-	52,869
UK corporation tax adjustment to prior periods	<u>(27,500)</u>	-
	<u>(27,500)</u>	<u>52,869</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 20% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Loss before tax	<u>(592,753)</u>	<u>(400,810)</u>
Corporation tax at standard rate	(118,551)	(80,162)
Effect of expense not deductible in determining taxable profit (tax loss)	91,042	155,593
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	(27,500)	-
Tax increase (decrease) from effect of unrelieved tax losses carried forward	27,509	-
Tax increase (decrease) arising from group relief	<u>-</u>	<u>(22,562)</u>
Total tax (credit)/charge	<u>(27,500)</u>	<u>52,869</u>

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

11 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2016	16,001	16,001
At 31 March 2017	16,001	16,001
Amortisation		
At 1 April 2016	16,001	16,001
At 31 March 2017	16,001	16,001
Carrying amount		
At 31 March 2017	-	-

12 Stocks

	2017 £	2016 £
Stocks	105,370	142,615

13 Debtors

	Note	2017 £	2016 £
Trade debtors		585,312	975,418
Amounts due from group undertakings	20	134,544	-
Other debtors		51,156	62,311
Prepayments		356,912	462,498
		1,127,924	1,500,227

14 Cash and cash equivalents

	2017 £	2016 £
Cash on hand	19,210	15,532
Cash at bank	415,580	541,087
	434,790	556,619

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

15 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		601,966	830,755
Amount due to Group companies	20	282,788	102,423
Social security and other taxes		155,830	332,594
Other creditors		736,695	446,717
Accrued expenses		122,127	100,172
Corporation tax	10	-	52,869
		<u>1,899,406</u>	<u>1,865,530</u>

16 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £7,424 (2016 - £5,506).

17 Share capital

Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

18 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	191,960	240,127
Later than one year and not later than five years	396,440	220,900
	<u>588,400</u>	<u>461,027</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £240,127 (2016 - £293,332).

19 Contingent liabilities

Bank facilities are secured by an unlimited inter-company guarantee incorporating the following companies: Apple Panels Limited, Apple Renewable Energy Limited, Apple Group Holdings Limited, Van Dukes Conservatories Limited and Thermal Glazing Systems Limited.

Apple Panels Limited

Notes to the Financial Statements

Year Ended 31 March 2017

20 Related party transactions

Summary of transactions with other related parties

Hilldonia Builders Limited - S D Hill, director has a controlling interest
Gazzeebo Software Limited - S D Hill, director has a controlling interest

Income and receivables from related parties

	Other related parties £
2017	
Amounts receivable from related party	88,800
2016	

Expenditure with and payables to related parties

	Other related parties £
2017	
Purchase of goods	35,834
Rendering of services	169,000
Leases	18,000
	222,834
Amounts payable to related party	33,788
2016	
Purchase of goods	67,576
Rendering of services	204,000
Leases	18,000
	289,576
Amounts payable to related party	204,876

21 Parent and ultimate parent undertaking

The company's immediate parent is Apple Group Holdings Limited, incorporated in England.

The ultimate controlling party is S D Hill, a director, who owns 100% of the called up share capital of Apple Group Holdings Limited.