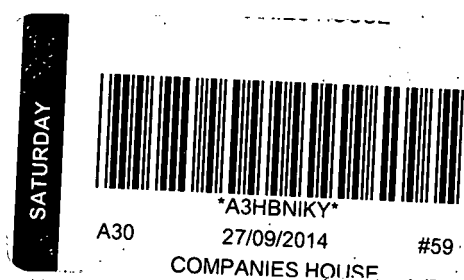


**GRANFIX HOLDINGS LIMITED**  
Company Registration No. 04576704 (England and Wales)

**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**



# GRANFIX HOLDINGS LIMITED

## DIRECTORS AND ADVISERS

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<b>Directors</b>	Mark Pass Richard Taylor David Pass Simon Pass
<b>Secretary</b>	Richard Taylor
<b>Company number</b>	04576704
<b>Registered office</b>	Stubben Edge Hall Ashover Derbyshire S45 0EU
<b>Registered auditors</b>	DEKM Limited 8 Vernon Street Derby DE1 1FR

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# GRANFIX HOLDINGS LIMITED

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# GRANFIX HOLDINGS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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The directors present the Strategic Report on the group for the year ended 31 December 2013.

### **Business review**

#### ***Fair review of the business***

The directors consider that the results of the group for the year and the financial position at the end of the year were satisfactory, especially considering the overall economic environment.

The directors expect the external commercial environment to remain competitive.

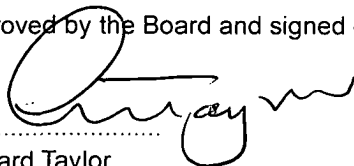
#### ***Principal risks and uncertainties***

The management of the business and the execution of the group's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the group are considered to be fluctuating raw material prices, changing energy costs, cuts in public spending, import penetration and the state of the wider economic climate.

Given the nature of the group, and as all of the shareholders are directors of the company, the directors are of the opinion that reporting more detailed analysis using key performance indicators is not necessary for the reader's understanding of the development, performance or position of the business.

Approved by the Board and signed on its behalf by:



Richard Taylor

Secretary

22 September 2014

# GRANFIX HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2013

---

The directors present their report and financial statements for the year ended 31 December 2013.

#### Principal activities

The principal activity of the group continued to be that of the manufacture and supply of adhesives and allied products.

#### Results and dividends

The consolidated profit and loss account for the year is set out on page 6.

The directors do not recommend payment of an ordinary dividend.

It is proposed that the retained profit of £303,895 is transferred to the group's reserves.

#### Directors

The following directors have held office since 1 January 2013:

Mark Pass  
Richard Taylor  
David Pass  
Simon Pass

#### Auditors

In accordance with the company's articles, a resolution proposing that DEKM Limited be reappointed as auditors of the company will be put at a General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# GRANFIX HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

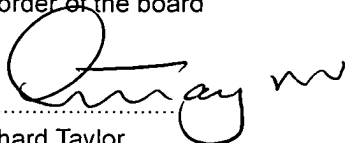
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

By order of the board



Richard Taylor

Secretary

22 September 2014

# **GRANFIX HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF GRANFIX HOLDINGS LIMITED**

---

We have audited the group and parent company financial statements (the "financial statements") of Granfix Holdings Limited for the year ended 31 December 2013 set out on pages 6 to 19. 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).

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 auditors' 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 directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out in the Directors' Report on pages 2 to 3, the directors are 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 Ethical Standards for Auditors.

#### **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 group's and the parent 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.

# GRANFIX HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF GRANFIX HOLDINGS LIMITED

---

#### **Basis for qualified opinion on financial statements**

The group participates in a multi employer defined benefit pension scheme, the assets and liabilities of which are partly attributable to the group. In our opinion, in accordance with Financial Reporting Standard 17 - Retirement Benefits, the balance sheet should include a pension scheme liability of £84,000 being the deficit in the scheme at 31 December 2013. This would have the effect of increasing the profit for the year by £57,000 and including actuarial losses of £11,000 and a prior year adjustment of £130,000 in the Statement of Total Recognised Gains and Losses.

#### **Qualified opinion on financial statements**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 and of the group's 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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



**Paul Bradley (Senior Statutory Auditor)**  
for and on behalf of DEKM Limited  
**Chartered Accountants**  
**Statutory Auditor**  
8 Vernon Street  
Derby  
DE1 1FR

26 September 2014



# GRANFIX HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	7,379,103	7,538,934
Change in stocks of finished goods and work in progress		(87,200)	23,881
		7,291,903	7,562,815
Raw materials and other consumables		3,441,083	3,560,544
		3,850,820	4,002,271
Staff costs		864,781	886,944
Depreciation and amortisation		261,328	262,599
Other operating charges		2,336,951	2,509,788
		3,463,060	3,659,331
Operating profit	3	387,760	342,940
Other interest receivable and similar income		4,158	2,167
Interest payable and similar charges	4	-	(24)
Profit on ordinary activities before taxation		391,918	345,083
Tax on profit on ordinary activities	5	(88,023)	(80,691)
Profit on ordinary activities after taxation		303,895	264,392

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.

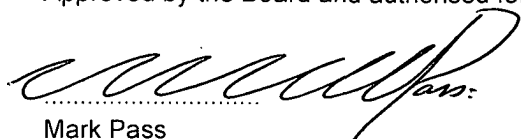
# GRANFIX HOLDINGS LIMITED

## BALANCE SHEETS

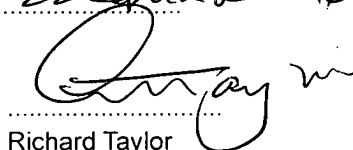
AS AT 31 DECEMBER 2013

	Notes	Group 2013 £	2012 £	Company 2013 £	2012 £
<b>Fixed assets</b>					
Tangible assets	7	1,003,531	900,579	321,328	-
Investments	8	-	-	444,004	444,004
		<u>1,003,531</u>	<u>900,579</u>	<u>765,332</u>	<u>444,004</u>
<b>Current assets</b>					
Stocks	9	843,909	1,066,581	-	-
Debtors	10	1,627,239	1,586,472	8	8
Cash at bank and in hand		1,895,123	1,383,456	16,805	16,838
		<u>4,366,271</u>	<u>4,036,509</u>	<u>16,813</u>	<u>16,846</u>
<b>Creditors: amounts falling due within one year</b>	11	(1,520,720)	(1,352,466)	(323,679)	(2,361)
<b>Net current assets/(liabilities)</b>		<u>2,845,551</u>	<u>2,684,043</u>	<u>(306,866)</u>	<u>14,485</u>
<b>Total assets less current liabilities</b>		<u>3,849,082</u>	<u>3,584,622</u>	<u>458,466</u>	<u>458,489</u>
<b>Provisions for liabilities</b>	12	(56,097)	(95,532)	-	-
		<u>3,792,985</u>	<u>3,489,090</u>	<u>458,466</u>	<u>458,489</u>
<b>Capital and reserves</b>					
Called up share capital	14	444,006	444,006	444,006	444,006
Other reserves	15	55,998	55,998	-	-
Profit and loss account	15	3,292,981	2,989,086	14,460	14,483
<b>Shareholders' funds</b>	16	<u>3,792,985</u>	<u>3,489,090</u>	<u>458,466</u>	<u>458,489</u>

Approved by the Board and authorised for issue on 22 September 2014



Mark Pass  
Director



Richard Taylor  
Director

Company Registration No. 04576704

# GRANFIX HOLDINGS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		921,281		828,233
Returns on investments and servicing of finance				
Interest received	4,158		2,167	
Interest paid	-		(24)	
Net cash inflow for returns on investments and servicing of finance		4,158		2,143
Taxation		(122,232)		(26,550)
Capital expenditure				
Payments to acquire tangible assets	(366,294)		(76,649)	
Receipts from sales of tangible assets	14,569		13,500	
Net cash outflow for capital expenditure		(351,725)		(63,149)
Increase in cash in the year		451,482		740,677

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1	Reconciliation of operating profit to net cash inflow from operating activities		2013	2012
			£	£
	Operating profit		387,760	342,940
	Depreciation of tangible assets		261,328	262,599
	Profit/(loss) on disposal of tangible assets		(5,227)	3,273
	Decrease/(increase) in stocks		222,672	(34,379)
	(Increase)/decrease in debtors		(40,767)	183,814
	Increase in creditors within one year		95,515	69,986
	<b>Net cash inflow from operating activities</b>		<b>921,281</b>	<b>828,233</b>
2	Analysis of net funds	1 January 2013	Cash flow 31 December 2013	
		£	£	£
	Net cash:			
	Cash at bank and in hand	1,383,456	511,667	1,895,123
	Bank overdrafts	-	(60,185)	(60,185)
		<u>1,383,456</u>	<u>451,482</u>	<u>1,834,938</u>
	<b>Net funds</b>	<b>1,383,456</b>	<b>451,482</b>	<b>1,834,938</b>
3	Reconciliation of net cash flow to movement in net funds		2013	2012
			£	£
	Increase in cash in the year		451,482	740,677
	<b>Movement in net funds in the year</b>		<b>451,482</b>	<b>740,677</b>
	Opening net funds		1,383,456	642,779
	<b>Closing net funds</b>		<b>1,834,938</b>	<b>1,383,456</b>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2013**

---

### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Compliance with and departure from accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

The financial statements do not comply with the accounting and disclosure requirements of Financial Reporting Standard 17 - Retirement Benefits.

#### **1.3 Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### **1.4 Turnover**

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

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Nil
Plant and machinery	10% - 20% on cost
Motor vehicles	20% - 25% on cost

#### **1.6 Leasing**

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

#### **1.7 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.8 Stock**

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

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies (Continued)

#### 1.9 Pensions

##### *Defined contribution*

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

##### *Defined benefit*

The group participates in a multi-employer defined benefit pension scheme, which requires contributions to be made to separately administered funds. The assets and liabilities of the scheme are partly attributable to the group and, in a departure from Financial Reporting Standard 17 - Retirement Benefits, contributions are charged to the profit and loss account in the year in which they are payable.

#### 1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Turnover

The total turnover and operating profit of the group for the year were derived from its principal activities.

Analysis of turnover and operating profit attributable to different classes of business and geographical markets have not been disclosed because the directors believe that to do so would prejudice the interests of the group.

3	Operating profit	2013 £	2012 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	261,328	262,599
	Loss on disposal of tangible assets	-	3,273
	Operating lease rentals	161,350	180,000
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £800; 2012: £800)	10,000	10,000
	and after crediting:		
	Profit on disposal of tangible assets	(5,227)	-
		<u>          </u>	<u>          </u>

4	Interest payable	2013 £	2012 £
	On overdue tax	-	24
		<u>          </u>	<u>          </u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

5	Taxation	2013 £	2012 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	127,394	128,100
	Adjustment for prior years	64	(4,850)
	<b>Total current tax</b>	<u>127,458</u>	<u>123,250</u>
	<b>Deferred tax</b>		
	Deferred tax credit current year	(31,139)	(36,642)
	Deferred tax adjustment resulting from changes in tax rate	(8,296)	(5,917)
		<u>(39,435)</u>	<u>(42,559)</u>
		<u>88,023</u>	<u>80,691</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>391,918</u>	<u>345,083</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.25% (2012 - 24.5%)	<u>91,121</u>	<u>84,545</u>
	Effects of:		
	Non deductible expenses	1,863	307
	Depreciation add back	59,543	65,139
	Capital allowances	(21,417)	(26,137)
	Adjustments to previous periods	64	(4,850)
	Other tax adjustments	(3,716)	4,246
		<u>36,337</u>	<u>38,705</u>
	<b>Current tax charge for the year</b>	<u>127,458</u>	<u>123,250</u>

## 6 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2013 £	2012 £
Holding company's loss for the financial year	<u>(23)</u>	<u>(23)</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 7 Tangible fixed assets

#### Group

	Land and buildings Freehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2013	-	3,620,067	112,782	3,732,849
Additions	321,328	3,680	48,614	373,622
Disposals	-	-	(47,254)	(47,254)
At 31 December 2013	321,328	3,623,747	114,142	4,059,217
<b>Depreciation</b>				
At 1 January 2013	-	2,784,616	47,654	2,832,270
On disposals	-	-	(37,912)	(37,912)
Charge for the year	-	238,361	22,967	261,328
At 31 December 2013	-	3,022,977	32,709	3,055,686
<b>Net book value</b>				
At 31 December 2013	321,328	600,770	81,433	1,003,531
At 31 December 2012	-	835,451	65,128	900,579

Depreciation at 31 December 2013 includes a cumulative provision for impairment of £- (2012 - £7,085).

#### Tangible fixed assets

#### Company

	Land and buildings Freehold
	£
<b>Cost</b>	
At 1 January 2013	-
Additions	321,328
At 31 December 2013	321,328
<b>Depreciation</b>	
At 1 January 2013 & at 31 December 2013	-
<b>Net book value</b>	
At 31 December 2013	321,328
At 31 December 2012	-



# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 8 Fixed asset investments

#### Company

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2013 & at 31 December 2013	444,004
<b>Net book value</b>	
At 31 December 2013	444,004
At 31 December 2012	444,004

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Granfix Products Limited	England and Wales	Ordinary	100.00
Granspec Limited	England and Wales	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Granfix Products Limited	Manufacture and supply of adhesives and allied products
Granspec Limited	Dormant

### 9 Stocks

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Raw materials and consumables	465,334	600,806	-	-
Finished goods and goods for resale	378,575	465,775	-	-
	<u>843,909</u>	<u>1,066,581</u>	<u>-</u>	<u>-</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 10 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	1,593,790	1,503,246	-	-
Corporation tax	-	-	6	6
Other debtors	2	69,705	2	2
Prepayments and accrued income	33,447	13,521	-	-
	<u>1,627,239</u>	<u>1,586,472</u>	<u>8</u>	<u>8</u>

### 11 Creditors : amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank overdraft	60,185	-	-	-
Trade creditors	1,023,048	934,325	-	-
Amounts owed to group undertakings	-	-	316,323	2,333
Corporation tax	127,394	122,168	-	-
Other taxes and social security costs	140,800	190,292	-	-
Other creditors	118,191	4,034	-	-
Accruals and deferred income	51,102	101,647	7,356	28
	<u>1,520,720</u>	<u>1,352,466</u>	<u>323,679</u>	<u>2,361</u>

The bank overdraft is secured by a charge over all of the assets of the group.

### 12 Provisions for liabilities

Group	Deferred taxation £
Balance at 1 January 2013	95,532
Profit and loss account	(39,435)
Balance at 31 December 2013	<u>56,097</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 12 Provisions for liabilities

(Continued)

The deferred tax liability is made up as follows:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	57,733	101,072	-	-
Other timing differences	(1,636)	(5,540)	-	-
	<u>56,097</u>	<u>95,532</u>	<u>-</u>	<u>-</u>

### 13 Pension and other post-retirement benefit commitments

#### Defined benefit

The group participates in a multi-employer defined benefit pension scheme for the benefit of eligible employees. The scheme is administered by trustees, is independent of the group's finances and funded from the participating employers and their employees. The contributions are assessed with the benefit of triennial actuarial valuations and reports prepared by professionally qualified actuaries. The scheme has now been closed to new entrants and with effect from 31 May 2009 the scheme became fully paid up.

The pension charge amounted to £57,454 (2012 - £38,369).

The financial statements do not incorporate the accounting and disclosure requirements of Financial Reporting Standard 17 - Retirement Benefits.

#### Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

	2013	2012
	£	£
Contributions payable by the group for the year	<u>20,179</u>	<u>21,457</u>

### 14 Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
444,006 Ordinary shares of £1 each	<u>444,006</u>	<u>444,006</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 15 Statement of movements on reserves Group

	Merger reserve £	Profit and loss account £
Balance at 1 January 2013	55,998	2,989,086
Profit for the year	-	303,895
Balance at 31 December 2013	<u>55,998</u>	<u>3,292,981</u>

### Company

	Profit and loss account £
Balance at 1 January 2013	14,483
Loss for the year	(23)
Balance at 31 December 2013	<u>14,460</u>

### 16 Reconciliation of movements in shareholders' funds Group

	2013 £	2012 £
Profit for the financial year	303,895	264,392
Opening shareholders' funds	<u>3,489,090</u>	<u>3,224,698</u>
Closing shareholders' funds	<u>3,792,985</u>	<u>3,489,090</u>

	2013 £	2012 £
Loss for the financial year	(23)	(23)
Opening shareholders' funds	<u>458,489</u>	<u>458,512</u>
Closing shareholders' funds	<u>458,466</u>	<u>458,489</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 17 Employees

#### Number of employees

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

	2013 Number	2012 Number
Production	17	14
Selling and distribution	9	9
Management and administration	8	6
	<u>34</u>	<u>29</u>

#### Employment costs

	2013 £	2012 £
Wages and salaries	712,309	745,712
Social security costs	74,839	81,406
Other pension costs	77,633	59,826
	<u>864,781</u>	<u>886,944</u>

### 18 Control

The company was under the joint control of Mark Pass, David Pass and Simon Pass throughout the year under review. The company's shares were sold on 24 January 2014 from which date the company has been under the ultimate control of Mrs M T Pass.

### 19 Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2013 £	2012 £
Expiry date:		
In over five years	<u>110,000</u>	<u>-</u>

# GRANFIX HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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### 20 Related party relationships and transactions

#### Group

During the year the following aggregate charges were payable to Granwood Holdings Limited, Granwood Flooring Limited and Grangeheath Limited, related undertakings under the control of Mark Pass, David Pass and Simon Pass, and to Amber Pass Limited, a related undertaking under the control of Mark Pass, David Pass, Simon Pass and Neil Brown, trustees of the Michael Pass will trust:

	2013	2012
	£	£
Management charges	224,500	351,356
Rent	161,350	180,000
Purchase of land and buildings	314,000	-
	<u>          </u>	<u>          </u>

Balances at 31 December 2013 with these related undertakings were as follows:

Amounts due from related undertakings	115,301	68,320
	<u>          </u>	<u>          </u>