

Financial Statements General All Purpose Plastics Group Limited

For the year ended 31 May 2012

THURSDAY



A236SQNC

A39

28/02/2013

#214

COMPANIES HOUSE

Registered number: 05635001

General All Purpose Plastics Group Limited

Company Information

Company number	05635001
Registered office	c/o General All Purpose Plastics Limited Partnership Way Shadsworth Business Park Blackburn Lancashire BB1 2QP
Company secretary	A D Greensmith
Directors	A D Greensmith S D Bird S M T Brayshaw
Bankers	Yorkshire Bank Plc 40 Church Street Blackburn Lancashire BB1 5AW
Solicitors	Zatman & Co 1 The Cottages Deva Centre Trinity Way Manchester M3 7BE
Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Royal Liver Building Liverpool L3 1PS

Contents

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 5
Consolidated profit and loss account	6
Consolidated balance sheet	7 - 8
Company balance sheet	9
Consolidated cash flow statement	10
Notes to the financial statements	11 - 31

General All Purpose Plastics Group Limited

Directors' Report

For the year ended 31 May 2012

The directors present their report and the financial statements for the year ended 31 May 2012

Principal activity

The principal activity of the group is the distribution and manufacture of PVCu doors, window accessories and building products and the provision of insulation services

The company operates as the group's holding company and has not traded during either year

Business review and future developments

On 2 September 2011 the minority shares of G A P Scotland Limited were bought by General All Purpose Plastics Group Limited. On the same date, the trade and assets of G A P Scotland Limited were acquired by General All Purpose Plastics Limited for consideration equivalent to the net asset value of the business at the transfer date

On 20 February 2012 a related partnership, GAP Glass, transferred its trade and assets to General All Purpose Plastics Limited at fair value

Turnover has increased by 13% primarily due to the opening of new distribution depots and gross margin has remained constant at 39% as a result of the continuing efforts to improve efficiencies, both in manufacturing and distribution

The balance sheet has been strengthened by the issue of preference shares, following major cash outflows of £1,409,580 for the acquisition of a freehold property and repayment of an associated company loan of £3,850,000, hence the company is now in a position to focus efforts on long-term growth and profitability

The directors are satisfied with the results for the year and consider that both market share and profitability can be increased over the long term, resulting in greater shareholder value. The group will continue to invest further resources into its customer service and support programmes to ensure that the growth strategy adopted by the directors can be delivered

The principle Key Performance Indicators ("KPIs") which are monitored by the directors include rate of growth, profitability and cash flow derived from operating activities

The directors believe the future prospects for the group to be satisfactory

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £82,586 (2011 - loss £60,124)

The directors have not recommended a dividend in either year

Directors

The directors who served during the year were

A D Greensmith
S D Bird
S M T Brayshaw

Directors' Report

For the year ended 31 May 2012

Financial risk management objectives and policies

The group uses various financial instruments, these include loans, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The main risks arising from the group's financial instruments are market risk, liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and price risk. The group's policies for managing fair value interest rate risk are considered along with those for managing interest rate risk and are set out in the subsection, interest rate risk, below.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by the availability of directors' loan accounts and a bank overdraft.

Interest rate risk

The group finances its operations through a combination of retained profits, finance lease contracts and directors' loan accounts. The group manages its exposure to interest rate fluctuations on its finance leases by entering into fixed rate agreements.

Credit risk

The group's principal financial assets are cash and trade debtors. The risk associated with cash is limited and as a result the principal credit risk therefore arises from its trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Directors' responsibilities statement

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 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 judgments and 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

Directors' Report

For the year ended 31 May 2012

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.

Provision of information to auditor

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

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

Disabled employees

The group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

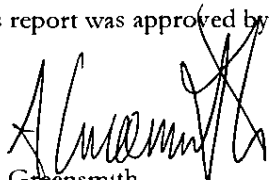
Employee involvement

During the year, the policy of providing employees with information about the group has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the group's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with Section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf



A D Greensmith
Director

Date ²⁷ February 2013

Independent Auditor's Report to the Members of General All Purpose Plastics Group Limited

We have audited the financial statements of General All Purpose Plastics Group Limited for the year ended 31 May 2012, which comprise the group profit and loss account, the group and company balance sheets, the group cash flow statement, and the related notes. 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 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 directors and auditor

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. 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2012 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of General All Purpose Plastics Group Limited

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

Grant Thornton UK LLP

Emma Stoddart (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants
Statutory Auditor

Liverpool
Date *27* February 2013

Consolidated Profit and Loss Account

For the year ended 31 May 2012

	Note	2012 £	2011 £
Turnover	1,2	45,765,066	40,671,943
Cost of sales		<u>(28,045,342)</u>	<u>(24,848,325)</u>
Gross profit		17,719,724	15,823,618
Distribution costs	3	(8,263,157)	(7,573,720)
Administrative expenses		(8,653,364)	(7,652,448)
Exceptional administrative items	4	(319,518)	-
Total administrative expenses	3	<u>(8,972,882)</u>	<u>(7,652,448)</u>
Operating profit	5	483,685	597,450
Income from other fixed asset investments	8	190,019	-
Interest receivable and similar income		-	157
Amounts written off investments	9	(183,060)	-
Interest payable and similar charges	10	<u>(412,570)</u>	<u>(336,545)</u>
Profit on ordinary activities before taxation		78,074	261,062
Tax on profit on ordinary activities	11	<u>9,525</u>	<u>-</u>
Profit on ordinary activities after taxation		87,599	261,062
Minority interests	23	<u>(5,013)</u>	<u>(321,186)</u>
Profit/(loss) for the financial year	22	<u><u>82,586</u></u>	<u><u>(60,124)</u></u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

The notes on pages 11 to 31 form part of these financial statements

Consolidated Balance Sheet

As at 31 May 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	12		-		304,500
Tangible assets	13		6,061,230		4,223,725
Investments	14		816,940		1,000,000
			<u>6,878,170</u>		<u>5,528,225</u>
Current assets					
Stocks	15	5,143,526		5,292,980	
Debtors	16	8,778,810		10,393,634	
Cash at bank and in hand		541,784		2,822,481	
		<u>14,464,120</u>		<u>18,509,095</u>	
Creditors: amounts falling due within one year	17	(15,991,298)		(16,769,669)	
Net current (liabilities)/assets			<u>(1,527,178)</u>		<u>1,739,426</u>
Total assets less current liabilities			<u>5,350,992</u>		<u>7,267,651</u>
Creditors: amounts falling due after more than one year	18		(148,339)		(5,620,008)
Provisions for liabilities					
Deferred tax	19	(52,565)		(44,252)	
Other provisions	20	(375,377)		(386,228)	
			<u>(427,942)</u>		<u>(430,480)</u>
Net assets			<u><u>4,774,711</u></u>		<u><u>1,217,163</u></u>
Capital and reserves					
Called up share capital	21		4,628,081		1,000,400
Profit and loss account	22		146,630		41,044
Shareholders' funds	24		<u>4,774,711</u>		<u>1,041,444</u>
Minority interests	23		-		175,719
			<u><u>4,774,711</u></u>		<u><u>1,217,163</u></u>

Consolidated Balance Sheet (continued)

As at 31 May 2012

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



A D Greensmith

Director

Date **27** February 2013



S D Bird

Director

Date **27** February 2013

The notes on pages 11 to 31 form part of these financial statements

Company Balance Sheet

As at 31 May 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Investments	14		3,702,983		275
Current assets					
Debtors		1,000,098		1,000,200	
Creditors' amounts falling due within one year	17	-		(75)	
Net current assets			1,000,098		1,000,125
Total assets less current liabilities			4,703,081		1,000,400
Creditors' amounts falling due after more than one year	18		(75,000)		-
Net assets			4,628,081		1,000,400
Capital and Reserves					
Called up share capital	21		4,628,081		1,000,400
Shareholders' funds	24		4,628,081		1,000,400

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

A D Greensmith
 Director
 Date 27 February 2013



S D Bird
 Director
 Date 27 February 2013



The notes on pages 11 to 31 form part of these financial statements

Consolidated Cash Flow Statement

For the year ended 31 May 2012

	Note	2012 £	2011 £
Net cash (outflow)/inflow from operating activities	25	(482,502)	5,613,985
Returns on investments and servicing of finance	26	(361,391)	(288,398)
Taxation		-	4,199
Capital expenditure and financial investment	26	(2,609,831)	(602,360)
Cash (outflow)/inflow before financing		(3,453,724)	4,727,426
Financing	26	(1,118,067)	(219,380)
(Decrease)/increase in cash in the year		(4,571,791)	4,508,046

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 31 May 2012

	2012 £	2011 £
(Decrease)/increase in cash in the year	(4,571,791)	4,508,046
Cash inflow from changes in net debt	4,745,748	219,380
Change in net debt resulting from cash flows	173,957	4,727,426
New finance leases	(457,543)	(100,001)
Other non-cash changes	216,840	(48,000)
Movement in net debt in the year	(66,746)	4,579,425
Net debt at 1 June	(3,394,129)	(7,973,554)
Net debt at 31 May	(3,460,875)	(3,394,129)

The notes on pages 11 to 31 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 May 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice)

The accounting policies of the group have remained unchanged from the previous year and are set out below

1.2 Basis of consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 31 May 2012. Profits or losses on intra-group transactions are eliminated in full

1.3 Going concern

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the group to continue as a going concern

1.4 Turnover

Turnover is the revenue arising from the sale of goods and is stated at the fair value of the consideration receivable, net of Value Added Tax, rebates and discounts

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms

Turnover in respect of insulation services provided is recognised in the period when the work is carried out

1.5 Goodwill

Purchased goodwill is capitalised and is amortised on a straight line basis over its estimated useful economic life

As a matter of accounting policy, purchased goodwill first accounted for in accounting years ended before 23 December 1998, the implementation date of Financial Reporting Standard No 10, was eliminated from the financial statements by immediate write-off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates

Notes to the Financial Statements

For the year ended 31 May 2012

1. Accounting policies (continued)

1.6 Consolidated goodwill and amortisation

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Positive goodwill arising on acquisitions 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 acquisition and in other periods if events or changes in circumstance indicate that the carrying value may not be recoverable.

Amortisation is provided at the following rates:

Goodwill	- 10 years straight line
----------	--------------------------

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less depreciation and any provision for impairment.

Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, by equal annual instalments over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Leasehold improvements	- over the term of the lease
Plant and machinery	- 15% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 4 - 15% straight line
Computer equipment	- 33% straight line

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Raw materials - purchase cost on a first-in, first-out basis.

Goods purchased for resale/finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Notes to the Financial Statements

For the year ended 31 May 2012

1. Accounting policies (continued)

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not subject to discounting

1.10 Pension costs

The pension costs charged against profits represent the amount of contributions payable to the schemes in respect of the accounting year

1.11 Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets and are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. 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.

1.12 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Notes to the Financial Statements

For the year ended 31 May 2012

1. Accounting policies (continued)

1.13 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability. Debt issue costs are offset against the debt and amortised over the term of the loan.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

1.14 Compound instruments

Compound instruments comprise both a liability and an equity component. The elements of a compound instrument are classified in accordance with their contractual provisions. The liability component is recorded at fair value, which is estimated using the prevailing market interest rate for a similar debt instrument without the equity feature. At each year end the value of the liability continues to be presented on a net present value basis, with any changes arising from the re-measurement of the instrument being recognised in finance costs in the profit and loss account.

1.15 Provision for liabilities

Provisions (other than provisions for post retirement benefits and deferred taxation) are recognised when the group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

Provisions for the estimated cost of repairing or replacing products which may be returned under warranty are based upon historical warranty data and are recognised when the underlying products are sold.

1.16 Investments

Investments are stated at cost, less any provision for impairment.

Notes to the Financial Statements

For the year ended 31 May 2012

1. Accounting policies (continued)

1.17 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

2. Turnover

The turnover and profit on ordinary activities before taxation is attributable to the principal activity of the group

All turnover arose within the United Kingdom

3. Other operating charges

	2012 £	2011 £
Distribution costs	8,263,157	7,573,720
Administrative expenses	8,972,882	7,652,448
Total	<u>17,236,039</u>	<u>15,226,168</u>

4. Exceptional items

	2012 £	2011 £
National insurance in relation to previous years	256,000	-
Goodwill written off	63,518	-
Total	<u>319,518</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 May 2012

5. Operating profit

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Amortisation of goodwill	5,250	41,298
Depreciation of tangible fixed assets		
- owned by the group	1,113,530	1,102,336
- held under finance leases	136,936	64,150
Auditor's remuneration - audit of the company's subsidiaries	35,500	38,750
Auditor's remuneration - taxation and advisory services	147,675	89,950
Operating lease rentals		
- other	-	11,479
- land and buildings	1,007,437	1,206,385
Loss on foreign currency translation	13,669	20,132
Profit on disposal of tangible fixed assets	(20,597)	(39,832)

6. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	9,630,796	9,123,205
Social security costs	869,011	858,604
Other pension costs	111,862	129,170
	<u>10,611,669</u>	<u>10,110,979</u>

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

	2012	2011
	No.	No.
Administration	83	59
Production, selling and distribution	344	355
	<u>427</u>	<u>414</u>

Notes to the Financial Statements

For the year ended 31 May 2012

7. Directors' remuneration

	2012 £	2011 £
Emoluments	<u>341,376</u>	<u>231,244</u>
Company pension contributions to defined contribution pension schemes	<u>3,300</u>	<u>3,300</u>

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £127,485 (2011 - £97,910)

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,300 (2011 - £3,300)

8. Income from fixed asset investment

	2012 £	2011 £
Income from fixed asset investment	<u>190,019</u>	<u>-</u>

9. Amounts written off fixed asset investment

	2012 £	2011 £
Amounts written off fixed asset investment	<u>183,060</u>	<u>-</u>

10. Interest payable and similar charges

	2012 £	2011 £
Interest payable on bank borrowing	57,623	50,606
Interest on other loans	175,617	192,920
Finance charges payable under finance leases	26,870	18,645
Other interest payable	113,408	-
Finance charges on shares classed as financial liabilities	-	10,000
Interest on directors' loans	39,052	64,374
	<u>412,570</u>	<u>336,545</u>

Notes to the Financial Statements

For the year ended 31 May 2012

11. Taxation

	2012 £	2011 £
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	-	-
Adjustments in respect of prior years	(17,838)	-
Total current tax	<u>(17,838)</u>	<u>-</u>
Deferred tax (see note 19)		
Origination and reversal of timing differences	8,313	-
Tax on profit on ordinary activities	<u>(9,525)</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 25.67% (2011 - 27.67%). The differences are explained below:

	2012 £	2011 £
Profit on ordinary activities before tax	<u>78,074</u>	<u>261,062</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.67% (2011 - 27.67%)	20,042	72,236
Effects of:		
Expenses not deductible for tax purposes	5,533	58,058
Net difference between depreciation and capital allowances	42,208	(41,931)
Adjustments to tax charge in respect of prior periods	(17,838)	-
Other short term timing differences	1,329	(9,456)
Income not taxable	-	(17,843)
Utilisation of tax losses	-	(736)
Unrelieved tax losses	88,373	-
Transfer pricing adjustment	(157,485)	(60,328)
Current tax (credit)/charge for the year (see note above)	<u>(17,838)</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 May 2012

12. Intangible fixed assets

Group	Consolidated Goodwill £	Purchased Goodwill £	Total £
Cost			
At 1 June 2011	310,976	755,298	1,066,274
Additions	(235,732)	-	(235,732)
At 31 May 2012	<u>75,244</u>	<u>755,298</u>	<u>830,542</u>
Amortisation			
At 1 June 2011	310,976	450,798	761,774
Charge for the year	-	5,250	5,250
Impairment charge	-	299,250	299,250
Negative goodwill release	(235,732)	-	(235,732)
At 31 May 2012	<u>75,244</u>	<u>755,298</u>	<u>830,542</u>
Net book value			
At 31 May 2012	<u>-</u>	<u>-</u>	<u>-</u>
At 31 May 2011	<u>-</u>	<u>304,500</u>	<u>304,500</u>

Notes to the Financial Statements

For the year ended 31 May 2012

13. Tangible fixed assets

Group	Freehold property £	Leasehold improve- ments £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost							
At 1 June 2011	-	885,068	5,197,659	1,968,836	1,229,609	782,411	10,063,583
Additions	1,049,580	179,934	785,123	486,732	221,021	96,878	2,819,268
Disposals	-	-	(7,150)	(200,842)	-	-	(207,992)
Transfer	-	35,959	24,109	221,794	4,722	-	286,584
At 31 May 2012	<u>1,049,580</u>	<u>1,100,961</u>	<u>5,999,741</u>	<u>2,476,520</u>	<u>1,455,352</u>	<u>879,289</u>	<u>12,961,443</u>
Depreciation							
At 1 June 2011	-	354,197	2,709,090	1,507,319	654,868	614,384	5,839,858
Charge for the year	6,997	97,032	641,353	307,642	142,967	54,475	1,250,466
On disposals	-	-	(894)	(189,217)	-	-	(190,111)
At 31 May 2012	<u>6,997</u>	<u>451,229</u>	<u>3,349,549</u>	<u>1,625,744</u>	<u>797,835</u>	<u>668,859</u>	<u>6,900,213</u>
Net book value							
At 31 May 2012	<u>1,042,583</u>	<u>649,732</u>	<u>2,650,192</u>	<u>850,776</u>	<u>657,517</u>	<u>210,430</u>	<u>6,061,230</u>
At 31 May 2011	<u>-</u>	<u>530,871</u>	<u>2,488,569</u>	<u>461,517</u>	<u>574,741</u>	<u>168,027</u>	<u>4,223,725</u>

The net book value of fixed assets includes an amount of £508,213 (2011 £258,335) in respect of assets held under finance leases and hire purchase contracts. The depreciation charged to the financial statements in the year in respect of such assets amounted to £136,936 (2011 £64,150).

14. Fixed asset investments

Group	Other investments £
Cost	
At 1 June 2011	1,000,000
Amounts impaired	(183,060)
At 31 May 2012	<u>816,940</u>
Net book value	
At 31 May 2012	<u>816,940</u>
At 31 May 2011	<u>1,000,000</u>

Notes to the Financial Statements

For the year ended 31 May 2012

14. Fixed asset investments (continued)

On 28 August 2007 the group invested £1,000,000 in Soho Square Productions No 11 LLP, a Limited Liability Partnership registered in England and Wales. This investment is held by the company's subsidiary General All Purpose Plastics Limited. The investment represents 3.64% of total partnership capital, the results of the LLP have therefore been excluded from the consolidation.

Company	Shares in group undertakings £
Cost	
At 1 June 2011	275
Additions	3,702,708
At 31 May 2012	<u>3,702,983</u>
Net book value	
At 31 May 2012	<u>3,702,983</u>
At 31 May 2011	<u>275</u>

The company acquired the B and C Ordinary shares of G A P Scotland Limited on 2 September 2011 for £75,025.

On 31 May 2012 General All Purpose Plastics Limited issued 3,627,683 Redeemable Preference shares for £1 each. These Preference shares were issued by converting £3,627,683 of the other loans into Preference shares. The Preference shares were then transferred in a share for share exchange to General All Purpose Plastics Group Limited, the ultimate parent company.

The company had the following subsidiary undertakings as at 31 May 2012

	Class of share capital held	Proportion held by parent company %	Proportion held by group %	Nature of business
General All Purpose Plastics Holdings Limited	"A" Ordinary	100	100	Holding company
G A P Scotland Limited	"B" Ordinary	100	100	
	"A" Ordinary	100	100	Distribution
	"B" Ordinary	100	100	of PVCu products
	"C" Ordinary	100	100	
General All Purpose Plastics Limited	"A" Ordinary	-	100	Distribution of
	"B" Ordinary	-	100	PVCu products
Rockdoor Limited	Ordinary	-	90	Manufacture of PVCu
		-		security doors
Proplas Limited	Ordinary	-	100	Non trading
Homeline Building Products Limited	Ordinary	-	100	Manufacture of PVCu
		-	-	building materials

The above are holdings of Ordinary shares and all undertakings are registered in England and Wales.

Notes to the Financial Statements

For the year ended 31 May 2012

15. Stocks

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Raw materials	1,877,341	1,133,882	-	-
Goods purchased for resale/finished goods	3,266,185	4,159,098	-	-
	<u>5,143,526</u>	<u>5,292,980</u>	<u>-</u>	<u>-</u>

16. Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	7,061,932	6,001,611	-	-
Amounts owed by group undertaking	-	-	999,898	1,000,000
Amounts owed by related parties	-	3,181,808	-	-
Other debtors	98,262	123,285	200	200
Directors' loan accounts	94,753	123,274	-	-
Prepayments and accrued income	1,471,711	929,342	-	-
Corporation tax recoverable	52,152	34,314	-	-
	<u>8,778,810</u>	<u>10,393,634</u>	<u>1,000,098</u>	<u>1,000,200</u>

17. Creditors: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank overdraft	2,772,047	480,953	-	-
Other loan	816,940	-	-	-
Amounts due under finance leases	265,333	115,649	-	-
Trade creditors	5,287,053	5,217,702	-	-
Amounts owed to group undertaking	-	-	-	75
Amounts owed to related parties	2,450,750	5,648,997	-	-
Directors' loan accounts	-	1,298,058	-	-
Social security and other taxes	1,469,921	1,192,059	-	-
Other creditors	307,413	329,893	-	-
Accruals and deferred income	2,621,841	2,486,358	-	-
	<u>15,991,298</u>	<u>16,769,669</u>	<u>-</u>	<u>75</u>

The bank overdraft is secured by a debenture from group companies giving a fixed and floating charge over the group's assets and a counter indemnity

Notes to the Financial Statements

For the year ended 31 May 2012

17. Creditors: Amounts falling due within one year (continued)

Amounts due under finance leases are secured upon the assets to which they relate

Included within other loans is £816,940 (2011 £Nil) relating to Soho Square Productions No 11 LLP. The loan was due for repayment and has been repaid subsequent to the year end on 3 September 2012

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

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other creditors	75,000	-	75,000	-
Other loans	-	4,440,720	-	-
Directors' loan accounts	-	1,000,000	-	-
Net obligations under finance leases and hire purchase contracts	73,339	26,288	-	-
Debt related financial instrument	-	153,000	-	-
	148,339	5,620,008	75,000	-

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Between one and five years	73,339	26,288	-	-

19. Deferred taxation

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
At beginning of year	44,252	44,252	-	-
Charge for the year	8,313	-	-	-
At end of year	52,565	44,252	-	-

Notes to the Financial Statements

For the year ended 31 May 2012

19. Deferred taxation (continued)

The provision for deferred taxation is made up as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Fixed asset timing differences	55,743	47,790	-	-
Short term timing differences	(3,178)	(3,538)	-	-
	<u>52,565</u>	<u>44,252</u>	<u>-</u>	<u>-</u>

The group has an unprovided deferred tax asset in relation to trade tax losses carried forward which totals £550,827 (2011 £1,046,127)

20. Provisions

Group	Warranty provision £
At 1 June 2011	386,228
Movement during the year	(10,851)
At 31 May 2012	<u>375,377</u>

Warranty provision

A provision of £375,377 (2011 £386,228) has been recognised for expected warranty claims on products sold by the group

The company has no provisions

21. Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
200 "A" Ordinary shares of £1 each	200	200
200 "B" Ordinary shares of £1 each	200	200
4,627,681 (2011 - 1,000,000) Redeemable Preference shares of £1 each	4,627,681	1,000,000
	<u>4,628,081</u>	<u>1,000,400</u>

Notes to the Financial Statements

For the year ended 31 May 2012

21. Share capital (continued)

The "A" and "B" Ordinary shares carry the respective voting rights to appoint and remove directors and be subject to the restrictions on transfer as provided in the Articles of Association but rank pari passu in all other respects

The rights attached to the Preference shares are set out below

Income

The holders of the Preference shares shall not be entitled to receive any preferential dividend

Capital

On a return of assets, the assets and retained profits of the company available for distribution amongst the members shall be applied first in paying to each of the holders of Preference shares the total Issue Price of the Preference shares held by them respectively, with any balance paid to the holders of the Ordinary shares in proportion to the number of Ordinary shares held by them respectively

Voting

The holders of the Preference shares shall have no right to receive notice of or to attend and vote at any general meeting of the company or in writing up any resolution of the company

Redemption

The company may at any time redeem the Preference shares either in their entirety or in part, subject to giving notice in writing to the members holding the Preference shares, and the company shall pay on each Preference share redeemed an amount equal to its Issue Price. In the case of a part redemption, the company shall redeem the same proportion for each member's registered holding of the Preference shares

On 31 May 2012 the company issued 3,627,681 Redeemable Preference shares for £1 each. These Preference shares were issued by converting £3,627,683 of the other loans of General All Purpose Plastics Limited into Preference shares. The Preference shares were then transferred in a share for share exchange to General All Purpose Plastics Group Limited, the ultimate parent company

22. Reserves

	Profit and loss account
Group	£
At 1 June 2011	41,044
Profit for the year	82,586
Transfer between reserves	23,000
At 31 May 2012	<u>146,630</u>

Notes to the Financial Statements

For the year ended 31 May 2012

23. Minority interests

Equity

At 1 June 2011

Share of profit for the year

Disposal

At 31 May 2012

£
175,719
5,013
(180,732)

-

24. Reconciliation of movement in shareholders' funds

	2012	2011
Group	£	£
Opening shareholders' funds	1,041,444	1,101,568
Profit/(loss) for the year	82,586	(60,124)
Shares issued during the year	3,627,681	-
Movement between reserves	23,000	-
Closing shareholders' funds	4,774,711	1,041,444

	2012	2011
Company	£	£
Opening shareholders' funds	1,000,400	1,000,400
Shares issued during the year	3,627,681	-
Closing shareholders' funds	4,628,081	1,000,400

25. Net cash flow from operating activities

	2012	2011
	£	£
Operating profit	483,685	597,450
Amortisation of intangible fixed assets	304,500	41,298
Depreciation of tangible fixed assets	1,250,466	1,166,486
Profit on disposal of tangible fixed assets	(20,597)	(39,832)
Decrease in stocks	149,454	372,656
Decrease in debtors	1,632,662	264,042
(Decrease)/increase in creditors	(4,036,089)	3,973,660
Decrease in amounts owed to participating interests	-	(665,463)
Decrease in warranty provision	(10,851)	(96,312)
Negative goodwill write off	(235,732)	-
Net cash (outflow)/inflow from operating activities	(482,502)	5,613,985

Notes to the Financial Statements

For the year ended 31 May 2012

26. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	-	149
Interest paid	(334,521)	(282,589)
Finance lease interest	(26,870)	(5,958)
Net cash outflow from returns on investments and servicing of finance	(361,391)	(288,398)
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,361,725)	(810,698)
Sale of tangible fixed assets	38,478	208,338
Fixed assets transferred from related parties	(286,584)	-
Net cash outflow from capital expenditure	(2,609,831)	(602,360)
	2012 £	2011 £
Financing		
Issue of preference shares	3,627,681	-
Repayment of loans	(4,484,940)	-
Capital element of finance lease rentals	(260,808)	(219,380)
Net cash outflow from financing	(1,118,067)	(219,380)

27. Analysis of changes in net debt

	1 June 2011 £	Cash flow £	Other non-cash changes £	31 May 2012 £
Cash at bank and in hand	2,822,481	(2,280,697)	-	541,784
Bank overdraft	(480,953)	(2,291,094)	-	(2,772,047)
	2,341,528	(4,571,791)	-	(2,230,263)
Debt.				
Debts due within one year	(115,649)	260,808	(1,227,432)	(1,082,273)
Debts falling due after more than one year	(5,620,008)	4,484,940	986,729	(148,339)
Net debt	(3,394,129)	173,957	(240,703)	(3,460,875)

Notes to the Financial Statements

For the year ended 31 May 2012

28. Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge of £111,862 (2011 £129,170) represents contributions payable by the group to the scheme.

Included within accruals is £13,239 (2011 £9,030) in relation to outstanding contributions.

29. Related party transactions

The group has taken advantage of the exemptions within Financial Reporting Standard No. 8 'Related Parties' and has not disclosed transactions with group undertakings where the company is a 100% subsidiary as consolidated accounts are prepared.

A D Greensmith and S D Bird are also partners of a partnership named GAP Glass. Prior to the trade and assets of GAP Glass being transferred into the group on 20 February 2012, goods amounting to £731,029 (2011 £1,248,264) were purchased from GAP Glass by the group. At 31 May 2012 GAP Glass owed the group £Nil (2011 £3,176,880). The freehold property was purchased from GAP Glass during the year for £1,049,580.

Purchases from GAP Glass during the year were not made on an arm's length basis. Goods were purchased at below market value and have been adjusted for in the corporation tax calculations. The approximate difference between market value and book value of the transactions is £605,711 (2011 £218,025).

A D Greensmith and S D Bird are also designated members in Bridgemere Properties LLP. Interest is payable on a loan of £500,000 due to Bridgemere Properties LLP at 1% above base rate. At 31 May 2012 the group owed Bridgemere Properties LLP £729,282 (2011 £955,375). The movement in the year is in relation to rentals charged from Bridgemere Properties LLP and does not attract interest.

A D Greensmith is also a designated member in Greensmith Property Investments LLP, Shadsworth Property Investments LLP and Shadsworth Business Park LLP. Interest is payable at 2% above base rate on balances owed to these entities. At 31 May 2012 the group owed Greensmith Property Investments LLP £363,102 (2011 £254,089), Shadsworth Property Investments LLP £253,066 (2011 £158,721) and Shadsworth Business Park LLP £383,700 (2011 £252,653).

At 31 May 2012 the group owed various directors' funded and unapproved retirement benefit schemes £Nil (2011 £1,250,000) as included in other loans. No interest was charged on these loans.

At 31 May 2012 the group owed the Simon Bird 2003 Trust £Nil (2011 £999,970) and the Andrew Greensmith 2003 Trust £Nil (2011 £1,234,970) as included in other loans. Interest was payable on these loans at 3% above base rate.

The group made sales to Crown Oil Limited in the year amounting to £2,042 (2011 £6,088) and purchases amounted to £300,941 (2011 £113,566). At 31 May 2012 the group was due £Nil (2011 £4,928) from Crown Oil Limited and owed £721,532 (2011 £4,693,622) to Crown Oil Limited.

The group made sales to Crown Oil UK Limited in the year amounting to £Nil (2011 £1,552). At 31 May 2012 the group was owed £Nil (2011 £Nil) by Crown Oil UK Limited.

During the year loans have been made available to the group by the directors. Interest is payable on the loans at 3% above base rate. At 31 May 2012 the balances outstanding were as follows:

Notes to the Financial Statements

For the year ended 31 May 2012

Loans (to)/from directors

	31 May 2012	31 May 2011
	£	£
A D Greensmith	(81,758)	2,298,058
S D Bird	(12,995)	(110,165)
S M T Brayshaw	-	(13,109)
Total	<u>(94,753)</u>	<u>2,174,784</u>

The maximum overdrawn balances during the year on A D Greensmith, S D Bird and S M T Brayshaw directors' loan accounts were £81,758 (2011 £Nil), £261,567 (2011 £110,165) and £44,877 (2011 £13,109) respectively

30. Capital commitments

The group and company had no capital commitments at 31 May 2012 or 31 May 2011

31. Profit for the financial year

The company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The parent company's profit for the year was £Nil (2011 £Nil)

32. Operating lease commitments

At 31 May 2012 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
Group	2012	2011	2012	2011
Expiry date:	£	£	£	£
Within 1 year	719,023	88,500	-	-
Between 2 and 5 years	479,576	568,274	-	-
After more than 5 years	22,300	697,384	-	-

Notes to the Financial Statements

For the year ended 31 May 2012

33. Contingent liabilities

The group's overdraft facilities are secured by a cross guarantee supported by debentures from group companies including General All Purpose Plastics Group Limited

No liability is expected to arise under this guarantee The maximum potential liability at 31 May 2012 is £2,230,263 (2011 £480,953)

The taxation treatment of certain transactions that the group entered into in previous years has been challenged by HM Revenue & Customs and enquiries are ongoing at the date of approval of the financial statements The directors are defending the treatment adopted by the group and have taken advice which supports the view that the transactions were dealt with appropriately Any potential liability could not be easily quantified at this stage and the directors do not consider that any material liability exists No provision has been made in the financial statements in relation to these matters

Post year end, the company has provided a guarantee of £2,000,000 in relation to bank facilities provided to a related entity, Bridgemere Properties LLP

The company has no other contingent liabilities to be disclosed at 31 May 2012 or 31 May 2011

34. Acquisitions

On 2 September 2011 the trade and assets of G A P Scotland Limited were transferred to General All Purpose Plastics Limited The book values at that date were considered to reflect the fair values and are detailed below The consideration was equivalent to the net asset value of the business at the transfer date The consideration remains outstanding included within the intercompany loan account balance

Transfer of trade and assets of G.A.P Scotland Limited

	Fair value £
Tangible fixed assets	77,520
Stocks	229,267
Debtors	667,891
Cash at bank and in hand	386,445
Creditors	(518,755)
Total	842,368

Notes to the Financial Statements

For the year ended 31 May 2012

Transfer of trade and assets of GAP Glass

On 20 February 2012 the trade and assets of GAP Glass were transferred to General All Purpose Plastics Limited at fair value. The book values at that date were considered to reflect the fair values and are detailed below.

	Fair value £
Tangible fixed assets	286,584
Stocks	507,333
Debtors	56,563
Creditors	(515,913)
Total	<u>334,567</u>