

Financial Statements General All Purpose Plastics Group Limited

For the year ended 31 May 2013



Registered number: 05635001

General All Purpose Plastics Group Limited

Company Information

Directors	A D Greensmith S D Bird S M T Brayshaw
Company secretary	A D Greensmith
Registered number	05635001
Registered office	c/o General All Purpose Plastics Limited Partnership Way Shadsworth Business Park Blackburn Lancashire BB1 2QP
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors	Zatman & Co 1 The Cottages Deva Centre Trinity Way Manchester M3 7BE

General All Purpose Plastics Group Limited

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General All Purpose Plastics Group Limited

Directors' Report

For the year ended 31 May 2013

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

Principal activity

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

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

Business review and future developments

The year ended 31 May 2013 has been a period of consolidation following the opening of new depots and transfer in of the trade and assets of GAP Glass during the prior year. Whilst turnover has decreased by 6% due to difficult economic and market conditions, continuing efforts to reduce costs and improve efficiencies in both manufacturing and distribution have resulted in an increase in gross margin from 39% to 41% and cash inflow from operating activities of almost £3 million. Further expansion of the business will be recommenced over the next few years, with the acquisition of complementary trades (see the post balance sheet event note) and the opening of more new depots.

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 services 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, amounted to £277,112 (2012 - £82,586).

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

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.

Directors' Report

For the year ended 31 May 2013

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 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,
- 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.

General All Purpose Plastics Group Limited

Directors' Report

For the year ended 31 May 2013

Disclosure 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 relevant audit information 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.

Post balance sheet event

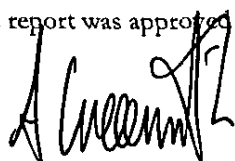
On 16 July 2013 General All Purpose Plastics Limited purchased 100% of the share capital of Highline Building Plastics (Gateshead) Limited for an initial consideration of £245,000 and fixed deferred consideration of £225,000 payable in 5 bi-yearly instalments from 30 November 2013. An additional contingent deferred consideration has also been agreed and is based on set performance indicators.

General All Purpose Plastics Limited also acquired the trade and assets of Highline Building Plastics Limited, which was in administration, on 27 June 2013 for an initial consideration of £202,736. An additional contingent deferred consideration has also been agreed and is based on set targets.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment 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 26/2/14



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 2013, which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated 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 (APB'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

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

A handwritten signature in black ink that reads "Emma Stoddart UK LLP".

Emma Stoddart (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Liverpool

Date 26 February 2014

General All Purpose Plastics Group Limited

Consolidated Profit and Loss Account

For the year ended 31 May 2013

	Note	2013 £	2012 £
Turnover	1,2	43,156,604	45,765,066
Cost of sales		<u>(25,587,008)</u>	<u>(28,045,342)</u>
Gross profit		17,569,596	17,719,724
Distribution costs	3	(8,192,852)	(8,263,157)
Administrative expenses		(8,996,026)	(8,653,364)
Exceptional administrative items	4	-	(319,518)
Total administrative expenses	3	<u>(8,996,026)</u>	<u>(8,972,882)</u>
Operating profit	5	380,718	483,685
Income from other fixed asset investments	8	-	190,019
Amounts written off investments	9	-	(183,060)
Interest payable and similar charges	10	<u>(156,171)</u>	<u>(412,570)</u>
Profit on ordinary activities before taxation		224,547	78,074
Tax on profit on ordinary activities	11	<u>52,565</u>	<u>9,525</u>
Profit on ordinary activities after taxation		277,112	87,599
Minority interests		<u>-</u>	<u>(5,013)</u>
Profit for the financial year	21	<u>277,112</u>	<u>82,586</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account

The notes on pages 10 to 28 form part of these financial statements

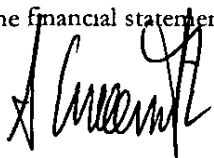
Consolidated Balance Sheet

As at 31 May 2013

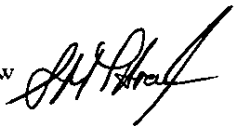
	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	12		5,383,372		6,061,230
Investments	13		-		816,940
			<u>5,383,372</u>		<u>6,878,170</u>
Current assets					
Stocks	14	4,373,866		5,143,526	
Debtors	15	8,441,146		8,684,057	
Cash at bank		69,838		541,784	
		<u>12,884,850</u>		<u>14,369,367</u>	
Creditors: amounts falling due within one year	16	(12,661,881)		(15,896,545)	
Net current assets/(liabilities)			<u>222,969</u>		<u>(1,527,178)</u>
Total assets less current liabilities			<u>5,606,341</u>		<u>5,350,992</u>
Creditors: amounts falling due after more than one year	17		(164,849)		(148,339)
Provisions for liabilities					
Deferred tax	18	-		(52,565)	
Other provisions	19	(389,669)		(375,377)	
			<u>(389,669)</u>		<u>(427,942)</u>
Net assets			<u>5,051,823</u>		<u>4,774,711</u>
Capital and reserves					
Called up share capital	20		4,628,081		4,628,081
Profit and loss account	21		423,742		146,630
Shareholders' funds	22		<u>5,051,823</u>		<u>4,774,711</u>

The notes on pages 10 to 28 form part of these financial statements

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


A D Greensmith
Director

Date 26/2/14


S M T Brayshaw
Director

Date 26/2/14

Company Balance Sheet

As at 31 May 2013

	Note	2013 £	2012 £
Fixed assets			
Investments	13	3,702,983	3,702,983
Current assets			
Debtors		1,000,098	1,000,098
Total assets less current liabilities		4,703,081	4,703,081
Creditors: amounts falling due after more than one year	17	(75,000)	(75,000)
Net assets		4,628,081	4,628,081
Capital and Reserves			
Called up share capital	20	4,628,081	4,628,081
Shareholders' funds	22	4,628,081	4,628,081

The notes on pages 10 to 28 form part of these financial statements

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

A D Greensmith
Director

Date 26/2/14

S M T Brayshaw
Director

Date 26/2/14

General All Purpose Plastics Group Limited

Consolidated Cash Flow Statement

For the year ended 31 May 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	23	2,894,730	(482,502)
Returns on investments and servicing of finance	24	(156,171)	(361,391)
Capital expenditure and financial investment	24	(67,746)	(2,609,831)
Cash inflow/(outflow) before financing		2,670,813	(3,453,724)
Financing	24	(435,289)	(1,118,067)
Increase/(decrease) in cash in the year		2,235,524	(4,571,791)

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 31 May 2013

	2013 £	2012 £
Increase/(decrease) in cash in the year	2,235,524	(4,571,791)
Cash inflow from changes in net debt	435,289	4,745,748
Change in net debt resulting from cash flows	2,670,813	173,957
New finance leases	(522,793)	(457,543)
Other non-cash changes	816,940	216,840
Movement in net debt in the year	2,964,960	(66,746)
Net debt at 1 June	(3,460,875)	(3,394,129)
Net debt at 31 May	(495,915)	(3,460,875)

The notes on pages 10 to 28 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 May 2013

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 2013. 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.

1.6 Consolidated goodwill and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 10 years straight line
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Notes to the Financial Statements

For the year ended 31 May 2013

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, 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	-	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

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 group contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the scheme in respect of the year.

Notes to the Financial Statements

For the year ended 31 May 2013

1. Accounting policies (continued)

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.

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 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.

1.15 Investments

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

Notes to the Financial Statements

For the year ended 31 May 2013

1. Accounting policies (continued)

1.16 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

	2013 £	2012 £
Distribution costs	8,192,852	8,263,157
Administrative expenses	8,996,026	8,972,882
Total	<u>17,188,878</u>	<u>17,236,039</u>

4. Exceptional items

	2013 £	2012 £
National insurance in relation to previous years	-	256,000
Goodwill written off	-	63,518
Total	<u>-</u>	<u>319,518</u>

Notes to the Financial Statements

For the year ended 31 May 2013

5. Operating profit

The operating profit is stated after charging/(crediting)

	2013 £	2012 £
Amortisation of goodwill	-	5,250
Depreciation of tangible fixed assets		
- owned by the group	1,202,906	1,113,530
- held under finance leases	193,307	136,936
Auditor's remuneration - taxation and advisory services	100,510	147,675
Auditor's remuneration - audit of the company's subsidiaries	35,180	35,500
Operating lease rentals		
- land and buildings	1,409,296	1,007,437
(Profit)/loss on foreign exchange translation	(4,890)	13,669
Profit on disposal of tangible fixed assets	(127,816)	(20,597)
	<u> </u>	<u> </u>

6. Staff costs

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	9,731,240	9,174,188
Social security costs	921,740	869,011
Other pension costs	140,443	111,862
	<u> </u>	<u> </u>
	<u>10,793,423</u>	<u>10,155,061</u>

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

	2013 No	2012 No
Administrative	89	83
Production, selling and distribution	347	344
	<u> </u>	<u> </u>
	<u>436</u>	<u>427</u>

Notes to the Financial Statements

For the year ended 31 May 2013

7. Directors' remuneration

	2013 £	2012 £
Remuneration	<u>488,375</u>	<u>341,376</u>
Company pension contributions to defined contribution pension schemes	<u>33,575</u>	<u>3,300</u>

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £184,311 (2012 - £127,485)

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2012 - £3,300)

8. Income from fixed asset investment

	2013 £	2012 £
Income from fixed asset investment	<u>-</u>	<u>190,019</u>

9. Amounts written off fixed asset investment

	2013 £	2012 £
Amounts written off fixed asset investment	<u>-</u>	<u>183,060</u>

10. Interest payable and similar charges

	2013 £	2012 £
Interest payable on bank borrowing	30,145	57,623
Interest on other loans	8,246	175,617
Finance charges payable under finance leases	37,537	26,870
Other interest payable	80,243	113,408
Interest on directors' loans	-	39,052
	<u>156,171</u>	<u>412,570</u>

Notes to the Financial Statements

For the year ended 31 May 2013

11. Taxation

	2013 £	2012 £
Analysis of tax charge/(credit) 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	-	(17,838)
Deferred tax (see note 18)		
Origination and reversal of timing differences	(52,565)	8,313
Tax on profit on ordinary activities	(52,565)	(9,525)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.83% (2012 - 25.67%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	224,547	78,074
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.83% (2012 - 25.67%)	53,510	20,042
Effects of:		
Expenses not deductible for tax purposes	230,481	5,533
Net difference between depreciation and capital allowances	14,146	42,208
Utilisation of tax losses	(196,699)	-
Other fixed asset differences	83,650	-
Adjustments to tax charge in respect of prior periods	-	(17,838)
Other short term timing differences	(3,155)	1,329
Non-taxable income	(194,700)	-
Unrelieved tax losses	12,767	88,373
Transfer pricing adjustment	-	(157,485)
Current tax charge/(credit) for the year (see note above)	-	(17,838)

Notes to the Financial Statements

For the year ended 31 May 2013

12. Tangible fixed assets

Group	Freehold property £	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost							
At 1 June 2012	1,049,580	1,100,961	5,999,741	2,476,520	1,455,352	879,289	12,961,443
Additions	-	94,348	259,799	521,948	41,822	41,200	959,117
Disposals	-	-	-	(1,067,670)	(9,900)	-	(1,077,570)
At 31 May 2013	1,049,580	1,195,309	6,259,540	1,930,798	1,487,274	920,489	12,842,990
Depreciation							
At 1 June 2012	6,997	451,229	3,349,549	1,625,744	797,835	668,859	6,900,213
Charge for the year	20,992	138,824	656,655	371,815	142,861	65,066	1,396,213
On disposals	-	-	-	(826,908)	(9,900)	-	(836,808)
At 31 May 2013	27,989	590,053	4,006,204	1,170,651	930,796	733,925	7,459,618
Net book value							
At 31 May 2013	1,021,591	605,256	2,253,336	760,147	556,478	186,564	5,383,372
At 31 May 2012	1,042,583	649,732	2,650,192	850,776	657,517	210,430	6,061,230

The net book value of fixed assets includes an amount of £719,833 (2012 £508,213) in respect of assets held under finance leases. The depreciation charged to the financial statements in the year in respect of such assets amounted to £193,307 (2012 £136,936).

13. Fixed asset investments

Group	Other investments £
Cost	
At 1 June 2012	1,000,000
Return of capital	(816,940)
At 31 May 2013	183,060
Impairment	
At 1 June 2012 and 31 May 2013	183,060
Net book value	
At 31 May 2013	-
At 31 May 2012	816,940

General All Purpose Plastics Group Limited

Notes to the Financial Statements

For the year ended 31 May 2013

13. 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 represented 3.64% of total partnership capital, the results of the LLP have therefore been excluded from the consolidation. During the year the loan associated with this investment was repaid from the return of the investment.

Company	Shares in group undertakings £
Cost and net book value	
At 1 June 2012 and 31 May 2013	<u>3,702,983</u>

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 2013

	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	Dormant company
	"B" Ordinary	100	100	
	"C" Ordinary	100	100	
General All Purpose Plastics Limited	"A" Ordinary	-	100	Distribution of
	"B" Ordinary	-	100	PVCu products
Rockdoor Limited	Ordinary	-	90	Dormant company
Proplas Limited	Ordinary	-	100	Dormant company
Homeline Building Products Limited	Ordinary	-	100	Dormant company

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

General All Purpose Plastics Group Limited

Notes to the Financial Statements

For the year ended 31 May 2013

14. Stocks

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Raw materials	1,799,927	1,877,341	-	-
Goods purchased for resale/finished goods	2,573,939	3,266,185	-	-
	<u>4,373,866</u>	<u>5,143,526</u>	<u>-</u>	<u>-</u>

15. Debtors

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	6,539,529	7,061,932	-	-
Amounts owed by group undertaking	-	-	999,898	999,898
Other debtors	40,402	98,262	200	200
Directors' loan accounts	739,208	-	-	-
Prepayments and accrued income	1,069,855	1,471,711	-	-
Corporation tax recoverable	52,152	52,152	-	-
	<u>8,441,146</u>	<u>8,684,057</u>	<u>1,000,098</u>	<u>1,000,098</u>

Notes to the Financial Statements

For the year ended 31 May 2013

16. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Bank overdraft	64,577	2,772,047	-	-
Other loan	-	816,940	-	-
Amounts due under finance leases	336,327	265,333	-	-
Trade creditors	5,650,956	5,287,053	-	-
Amounts owed to related parties	1,778,010	2,337,862	-	-
Other taxation and social security	1,286,509	1,469,921	-	-
Directors' loan accounts	-	18,135	-	-
Other creditors	491,731	307,413	-	-
Accruals and deferred income	3,053,771	2,621,841	-	-
	<u>12,661,881</u>	<u>15,896,545</u>	<u>-</u>	<u>-</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

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

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

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

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Other creditors	75,000	75,000	75,000	75,000
Net obligations under finance leases and hire purchase contracts	89,849	73,339	-	-
	<u>164,849</u>	<u>148,339</u>	<u>75,000</u>	<u>75,000</u>

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

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Between one and five years	89,849	73,339	-	-

General All Purpose Plastics Group Limited

Notes to the Financial Statements

For the year ended 31 May 2013

18. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
At beginning of year	52,565	44,252	-	-
(Released during)/charge for the year	(52,565)	8,313	-	-
At end of year	-	52,565	-	-

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	44,563	55,743	-	-
Short term timing differences	-	(3,178)	-	-
Tax losses carried forward	(44,563)	-	-	-
	-	52,565	-	-

The group has an unprovided deferred tax asset in relation to trade tax losses carried forward which totals £312,517 (2012 £550,827)

19. Provisions

	Warranty provision
Group	£
At 1 June 2012	375,377
Movement during the year	14,292
At 31 May 2013	389,669

Warranty provision

A provision of £389,669 (2012 £375,377) has been recognised for expected warranty claims on products sold by the group

The company has no provisions

Notes to the Financial Statements

For the year ended 31 May 2013

20. Share capital

	2013 £	2012 £
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 Redeemable Preference shares of £1 each	4,627,681	4,627,681
	<hr/>	<hr/>
	4,628,081	4,628,081
	<hr/>	<hr/>

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

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.

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 *post redemption*, the company shall redeem the same proportion for each member's registered holding of the Preference shares.

Notes to the Financial Statements

For the year ended 31 May 2013

21. Reserves

	Profit and loss account
Group	£
At 1 June 2012	146,630
Profit for the financial year	277,112
	<hr/>
At 31 May 2013	423,742
	<hr/>

22. Reconciliation of movement in shareholders' funds

	2013	2012
Group	£	£
Opening shareholders' funds	4,774,711	1,041,444
Profit for the financial year	277,112	82,586
Shares issued during the year	-	3,627,681
Movement between reserves	-	23,000
	<hr/>	<hr/>
Closing shareholders' funds	5,051,823	4,774,711
	<hr/>	<hr/>
	2013	2012
Company	£	£
Opening shareholders' funds	4,628,081	1,000,400
Shares issued during the year	-	3,627,681
	<hr/>	<hr/>
Closing shareholders' funds	4,628,081	4,628,081
	<hr/>	<hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

23. Net cash flow from operating activities

	2013	2012
	£	£
Operating profit	380,718	483,685
Amortisation of intangible fixed assets	-	304,500
Depreciation of tangible fixed assets	1,396,213	1,250,466
Profit on disposal of tangible fixed assets	(127,816)	(20,597)
Decrease in stocks	769,660	149,454
Decrease in debtors	242,911	1,632,662
Increase/(decrease) in creditors	218,752	(4,036,089)
Increase/(decrease) in warranty provision	14,292	(10,851)
Negative goodwill write off	-	(235,732)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	2,894,730	(482,502)
	<hr/>	<hr/>

Notes to the Financial Statements

For the year ended 31 May 2013

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

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest paid	(118,634)	(334,521)
Finance lease interest	(37,537)	(26,870)
Net cash outflow from returns on investments and servicing of finance	(156,171)	(361,391)
	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(436,324)	(2,361,725)
Sale of tangible fixed assets	368,578	38,478
Fixed assets transferred from related parties	-	(286,584)
Net cash outflow from capital expenditure	(67,746)	(2,609,831)
	2013 £	2012 £
Financing		
Issue of non-equity shares	-	3,627,681
Repayment of loans	-	(4,484,940)
Capital element of finance lease rentals	(435,289)	(260,808)
Net cash outflow from financing	(435,289)	(1,118,067)

Notes to the Financial Statements

For the year ended 31 May 2013

25. Analysis of changes in net debt

	1 June 2012	Cash flow	Other non-cash changes	31 May 2013
	£	£	£	£
Cash at bank and in hand	541,784	(471,946)	-	69,838
Bank overdraft	(2,772,047)	2,707,470	-	(64,577)
	<u>(2,230,263)</u>	<u>2,235,524</u>	<u>-</u>	<u>5,261</u>
Debt:				
Finance leases	(338,672)	435,289	(522,793)	(426,176)
Debts due within one year	(816,940)	-	816,940	-
Debts falling due after more than one year	(75,000)	-	-	(75,000)
Net debt	<u>(3,460,875)</u>	<u>2,670,813</u>	<u>294,147</u>	<u>(495,915)</u>

26. Post balance sheet events

On 16 July 2013 General All Purpose Plastics Limited purchased 100% of the share capital of Highline Building Plastics (Gateshead) Limited for an initial consideration of £245,000 and fixed deferred consideration of £225,000 payable in 5 bi-yearly instalments from 30 November 2013. An additional contingent deferred consideration has also been agreed and is based on set performance indicators.

General All Purpose Plastics Limited also acquired the trade and assets of Highline Building Plastics Limited, which was in administration, on 27 June 2013 for an initial consideration of £202,736. An additional contingent deferred consideration has also been agreed and is based on set targets.

27. Pensions

The group contributes to 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 charge of £140,443 (2012 £111,862) represents contributions payable by the group to the scheme.

Included within accruals is £35,545 (2012 £13,239) in relation to outstanding contributions.

Notes to the Financial Statements

For the year ended 31 May 2013

28. 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 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 and services amounting to £Nil (2012 £731,029) were purchased from GAP Glass by the group. Also, the freehold property was purchased from GAP Glass amounting to £Nil (2012 £1,049,580). At 31 May 2013 GAP Glass owed the group £Nil (2012 £Nil).

Purchases from GAP Glass 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 the market value and book value of the transactions is £Nil (2012 £605,711).

A D Greensmith and S D Bird are also designated members in Bridgemere Properties LLP. At 31 May 2013 the group owed Bridgemere Properties LLP £333,258 (2012 £729,282). This has been included in amounts owed to related parties.

A D Greensmith is also a designated member in Greensmith Property Investments LLP, Shadsworth Property Investments LLP and Shadsworth Business Park LLP. Interest is charged at 2% on amounts due to these LLPs. At 31 May 2013 the group owed Greensmith Property Investments LLP £373,589 (2012 £363,102), Shadsworth Property Investments LLP £174,114 (2012 £253,066) and Shadsworth Business Park LLP £431,455 (2012 £383,700). These amounts due have all been included in amounts owed to related parties.

Included in other loans at 31 May 2013, the group owed the S D Bird 2003 Trust £Nil (2012 £Nil) and the A D Greensmith 2003 Trust £Nil (2012 £Nil). Interest is payable on these loans at 3% above base rate. Interest amounting to £Nil (2012 £89,316) has been charged during the year.

Included in other loans at 31 May 2013 is £Nil (2012 £816,940) due to Soho Square Productions No 11 LLP, which the group had an investment in (see note 13).

A D Greensmith is a director of Crown Oil Limited. The group made sales to Crown Oil Limited in the year amounting to £Nil (2012 £2,042) and purchases amounted to £106,731 (2012 £300,941). At 31 May 2013 the group owed Crown Oil Limited £465,430 (2012 £608,644).

A D Greensmith is also a director of Crown Telecom Solutions Limited. During the year the group made purchases from Crown Telecom Solutions Limited amounting to £34,342 (2012 £Nil). At 31 May 2013 the group owed Crown Telecom Solutions Limited £164 (2012 £Nil).

Notes to the Financial Statements

For the year ended 31 May 2013

Loans (to)/from directors

During the year loans have been made available to/from the directors by the group. At 31 May 2013 the balances outstanding were as follows

	31 May 2013	31 May 2012
	£	£
A D Greensmith	(474,658)	31,130
S D Bird	(209,961)	(12,995)
S M T Brayshaw	(54,589)	-
Total	<u>(739,208)</u>	<u>18,135</u>

The maximum overdrawn balances during the year on A D Greensmith, S D Bird and S M T Brayshaw directors' loan accounts were £474,658 (2012 £Nil), £209,961 (2012 £261,567) and £54,589 (2012 £44,877) respectively

29. Capital commitments

The group and company had no capital commitments at 31 May 2013 or 31 May 2012

30. 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 (2012 £Nil)

31. Operating lease commitments

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

	Land and buildings	
	2013	2012
	£	£
Group		
Expiry date.		
Within 1 year	874,512	719,023
Between 2 and 5 years	250,705	479,576
After more than 5 years	<u>22,300</u>	<u>22,300</u>

Notes to the Financial Statements

For the year ended 31 May 2013

32. 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 2013 is £64,577 (2012 £2,230,263)

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.

During the year General All Purpose Plastics Group Limited has provided a guarantee of £2,000,000 in relation to bank facilities provided to a related entity, Bridgemere Properties LLP.

The group and company have no other contingent liabilities to be disclosed at 31 May 2013 or 31 May 2012.