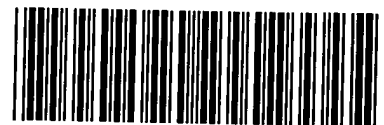


Financial Statements General All Purpose Plastics Group Limited

For the year ended 31 May 2014

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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 8/14 Darwen Street 5 Fleming Square Blackburn Lancashire BB2 2BZ
Solicitors	Zatman & Co 1 The Cottages Deva Centre Trinity Way Manchester M3 7BE

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Directors' Report

For the year ended 31 May 2014

The directors present their report and the financial statements for the year ended 31 May 2014.

Results and dividends

The profit for the year, after taxation, amounted to £711,151 (2013 - £277,112).

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' responsibilities statement

The directors are responsible for preparing the Group strategic report, 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.

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.

Directors' Report

For the year ended 31 May 2014

Post balance sheet events

Subsequent to the year end, the share capital allocations were restructured whereby each A share of £1 was subdivided into 100 ordinary shares of £0.01 and each B share of £1 was subdivided into 100 shares of £0.01. Furthermore 4,444 C ordinary shares of £0.01 were allotted and issued. Therefore the number of allotted and issued A shares is 20,000, the number of allotted and issued B Shares is 20,000 and the number of allotted and issued C Shares is 4,444.

Having established there were sufficient distributable reserves the directors proposed a dividend of £74.906 per Ordinary C Share resulting in a total dividend proposed of £332,883.

Financial risk management

The group manages its financial risk in four broad categories:

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 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.

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.

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.

General All Purpose Plastics Group Limited

Directors' Report

For the year ended 31 May 2014

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.



S M T Brayshaw
Director

Date: 26/02/2015

Group Strategic Report

For the year ended 31 May 2014

Introduction

The directors present their strategic report on the group and company for the year ended 31 May 2014.

The company operates as the group's holding company and has not traded during either year. The principal activity of the group is the distribution and manufacture of PVCu doors, window accessories and building products.

Business review

The year ended 31 May 2014 has seen turnover has increased by 16%, this is due to the continued successful implementation of the sales strategy set out by the directors in the prior years.

Continuing efforts to reduce costs and improve efficiencies in both manufacturing and distribution has resulted in an increase in gross margin from 41% to 44% and cash flow from operating activities have remained positive at £1.6m.

The profit for the year, after taxation, amounted to £711,151 (2013: £277,112).

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 the growth strategy adopted by the directors can be delivered. The directors have not recommended a dividend in either year.

Principal risks and uncertainties

Market conditions

GAP's products are targeted at individual consumers and businesses. As a result demand is dependent on activity levels in these respective segments, which vary geographically and are subject to the usual drivers of economic activity (i.e. general economic conditions and volatility, interest rates, business/consumer confidence levels, unemployment, construction levels etc.). While these drivers are inherently cyclical, the exposure to the cyclicity of any market is partially mitigated by the Group's diversification, both geographically and by product.

Competitive pressures

GAP continually faces competition in each of the markets in which it has a presence. The competitive environment in any one market is a function of a number of factors including the number of competitors, production capacity, the economic/demand characteristics of that market, the ease of imports from third countries and the availability of substitute products.

Customer credit risk

As part of the overall service package GAP provides credit to customers and as a result there is an associated risk that the customer may not be able to pay outstanding balances. GAP has established procedures and credit control policies around managing its receivables and takes action where necessary. All major outstanding and overdue balances together with significant potential exposures are reviewed regularly by senior management.

Human Resources

People and teams and talent management are an integral part of GAP's business and are key to continuing progress at the Group. The Group attracts and retains its people through provision of on-going opportunity for career progress, training initiatives and continually identifying emerging managers and leaders within the Group.

Funding and liquidity risks

To manage the working capital needs of the business and to finance the Group's expansion plans, the Group is reliant on being able to arrange and maintain sufficient financing and to comply with their conditions once established which are currently being easily met by the group's positive operating cashflows.

Group Strategic Report (continued)

For the year ended 31 May 2014

Key performance indicators

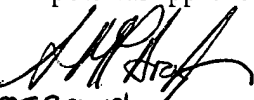
The principle key performance indicators ("KPIs") which are monitored by the directors include rate of growth, profitability and cash flow derived from operating activities.

Future developments

Further expansion of the business will continue with the opening of new depots in regions and investment in production capacity. The directors have agreed a strategic plan for the business which is updated annually and discussed at regular meetings during the year. The management team have been party to this plan and incentivised to ensure the strategy is executed in a timely manner.

The directors are satisfied at the date of this report with the progress made and that management are in a suitable position to support the proposed growth. The financial performance is considered to be line with the proposed strategy.

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



SMT Brayshaw
Director

Date: 26/02/2015

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 2014, which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the reconciliation of net cash flow to movement in net debt 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 2014 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 Group strategic report and 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 "Grant Thornton UK LLP".

Emma Stoddart (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Liverpool

Date: 26/2/15

Consolidated Profit and Loss Account

For the year ended 31 May 2014

	Note	2014 £	2013 £
Turnover	1,2	50,188,968	43,156,604
Cost of sales		<u>(28,108,615)</u>	<u>(25,587,008)</u>
Gross profit		22,080,353	17,569,596
Administrative expenses		(20,654,430)	(17,188,878)
Other operating income	3	<u>49,704</u>	<u>-</u>
Operating profit	4	1,475,627	380,718
Interest receivable and similar income		1,236	-
Interest payable and similar charges	7	<u>(420,833)</u>	<u>(156,171)</u>
Profit on ordinary activities before taxation		1,056,030	224,547
Tax on profit on ordinary activities	8	<u>(344,879)</u>	<u>52,565</u>
Profit for the financial year	19	<u>711,151</u>	<u>277,112</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 12 to 29 form part of these financial statements.

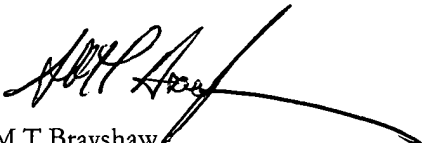
Consolidated Balance Sheet

As at 31 May 2014

	Note	£	2014 £	2013 £
Fixed assets				
Intangible assets	9		541,771	-
Tangible assets	10		5,161,963	5,383,372
			<u>5,703,734</u>	<u>5,383,372</u>
Current assets				
Stocks	12	5,574,939	4,373,866	
Debtors	13	8,139,125	8,441,146	
Cash at bank		86,084	69,838	
		<u>13,800,148</u>	<u>12,884,850</u>	
Creditors: amounts falling due within one year	14	(12,766,390)	(12,661,881)	
Net current assets			<u>1,033,758</u>	<u>222,969</u>
Total assets less current liabilities			<u>6,737,492</u>	<u>5,606,341</u>
Creditors: amounts falling due after more than one year	15	(164,175)	(164,849)	
Provisions for liabilities				
Other provisions	17	(810,343)	(389,669)	
Net assets			<u>5,762,974</u>	<u>5,051,823</u>
Capital and reserves				
Called up share capital	18	4,628,081	4,628,081	
Profit and loss account	19	1,134,893	423,742	
Shareholders' funds	20		<u>5,762,974</u>	<u>5,051,823</u>

The notes on pages 12 to 29 form part of these financial statements.

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


S M T Brayshaw
Director

Date: 26/02/2015


Company Balance Sheet

As at 31 May 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Investments	11		3,702,983		3,702,983
Current assets					
Debtors		1,000,098		1,000,098	
Creditors: amounts falling due within one year	14	(75,000)		-	
Net current assets			925,098		1,000,098
Total assets less current liabilities			4,628,081		4,703,081
Creditors: amounts falling due after more than one year	15		-		(75,000)
Net assets			4,628,081		4,628,081
Capital and reserves					
Called up share capital	18		4,628,081		4,628,081
Shareholders' funds	20		4,628,081		4,628,081

The notes on pages 12 to 29 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:


S M T Brayshaw
Director

Date: 26/02/15

Consolidated Cash Flow Statement

For the year ended 31 May 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	21	1,565,561	2,894,730
Returns on investments and servicing of finance	22	(60,597)	(156,171)
Capital expenditure and financial investment	22	(1,188,825)	(67,746)
Acquisitions and disposals	22	(295,575)	-
Cash inflow before financing		20,564	2,670,813
Financing	22	(336,323)	(435,289)
(Decrease)/increase in cash in the year		(315,759)	2,235,524

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 31 May 2014

	2014 £	2013 £
Increase/(decrease) in cash in the year	(315,759)	2,235,524
Cash inflow from changes in net debt	336,323	435,289
Change in net debt resulting from cash flows	20,564	2,670,813
New finance leases	(32,900)	(522,793)
Other non-cash changes	-	816,940
Movement in net debt in the year	(12,336)	2,964,960
Net debt at 1 June	(420,915)	(3,385,875)
Net debt at 31 May	(433,251)	(420,915)

The notes on pages 12 to 29 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 May 2014

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 2014. 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.

1.5 Goodwill

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

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	-	5 years straight line
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1.7 Tangible fixed assets and depreciation

Notes to the Financial Statements

For the year ended 31 May 2014

1. Accounting policies (continued)

Tangible fixed assets are stated at cost less depreciation. 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 discounted.

1.10 Pension costs

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

Notes to the Financial Statements

For the year ended 31 May 2014

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 2014

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 income

	2014 £	2013 £
Other operating income	49,704	-

4. Operating profit

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Amortisation of goodwill	121,623	-
Depreciation of tangible fixed assets:		
- owned by the group	1,195,242	1,202,906
- held under finance leases	187,342	193,307
Auditor's remuneration - taxation and advisory services	56,165	100,510
Auditor's remuneration - audit of the group and company's subsidiaries	37,720	35,180
Operating lease rentals:		
- land and buildings	1,298,648	1,409,296
Loss/(profit) on foreign exchange translation	10,135	(4,890)
Loss/(profit) on disposal of tangible fixed assets	60,550	(127,816)

Notes to the Financial Statements

For the year ended 31 May 2014

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	10,365,743	9,731,240
Social security costs	1,187,775	921,740
Other pension costs	119,160	140,443
	<u>11,672,678</u>	<u>10,793,423</u>

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

	2014	2013
	No.	No.
Administrative	91	89
Production, selling and distribution	348	347
	<u>439</u>	<u>436</u>

6. Directors' remuneration

	2014	2013
	£	£
Remuneration	<u>555,175</u>	<u>488,375</u>
Company pension contributions to defined contribution pension schemes	<u>12,100</u>	<u>33,575</u>

During the year retirement benefits were accruing to 1 director (2013 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £200,602 (2013 - £184,311).

Notes to the Financial Statements

For the year ended 31 May 2014

7. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on bank borrowings	18,291	30,145
Interest on other loans	-	8,246
Finance charges payable under finance leases	1,555	37,537
Other interest payable	41,987	80,243
Interest on overdue taxation	359,000	-
	<u>420,833</u>	<u>156,171</u>

8. Taxation

	2014	2013
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	381,956	-
Deferred tax		
Origination and reversal of timing differences	(31,283)	(52,565)
Adjustments in respect of prior periods	(5,794)	-
Total deferred tax (see note 16)	<u>(37,077)</u>	<u>(52,565)</u>
Tax on profit on ordinary activities	<u>344,879</u>	<u>(52,565)</u>

Notes to the Financial Statements

For the year ended 31 May 2014

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is differs from the standard rate of corporation tax in the UK of 22.67% (2013 - 23.83%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>1,056,030</u>	<u>224,547</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.67% (2013 - 23.83%)	239,402	53,510
Effects of:		
Expenses not deductible for tax purposes	192,508	230,481
Net difference between depreciation and capital allowances	(52,107)	14,146
Utilisation of tax losses	(233,201)	(196,699)
Other fixed asset differences	157,750	83,650
Other short term timing differences	229,919	(3,155)
Non-taxable income	-	(194,700)
Adjustment to losses	(152,315)	12,767
Current tax charge for the year (see note above)	<u>381,956</u>	<u>-</u>

9. Intangible fixed assets

	Purchased Goodwill £
Group	
Cost	
At 1 June 2013	-
Additions	663,394
At 31 May 2014	<u>663,394</u>
Amortisation	
At 1 June 2013	-
Charge for the year	121,623
At 31 May 2014	<u>121,623</u>
Net book value	
At 31 May 2014	<u>541,771</u>

On 16 July 2013, the Group acquired 100% of the Ordinary share capital of Highline Building Plastics (Gateshead) Limited for an initial consideration of £250,575 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. This has been estimated at £106,617. Further details of the acquisition are included in note 31.

Notes to the Financial Statements

For the year ended 31 May 2014

10. Tangible fixed assets

Group	Freehold property £	Leasehold improvements £	Plant and machinery £	Motor vehicles £
Cost				
At 1 June 2013	1,049,580	1,475,937	6,220,197	1,864,274
Additions	-	130,663	828,958	41,947
Disposals	-	(160,229)	-	(84,787)
At 31 May 2014	1,049,580	1,446,371	7,049,155	1,821,434
Depreciation				
At 1 June 2013	27,989	632,386	3,966,864	1,104,130
Charge for the year	20,992	180,838	685,616	292,821
On disposals	-	(107,654)	-	(74,616)
At 31 May 2014	48,981	705,570	4,652,480	1,322,335
Net book value				
At 31 May 2014	1,000,599	740,801	2,396,675	499,099
At 31 May 2013	1,021,591	843,551	2,253,333	760,144
Group		Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 June 2013		1,332,952	725,608	12,668,548
Additions		94,317	134,690	1,230,575
Disposals		(26,413)	(18,329)	(289,758)
At 31 May 2014		1,400,856	841,969	13,609,365
Depreciation				
At 1 June 2013		926,195	627,612	7,285,176
Charge for the year		131,930	70,387	1,382,584
On disposals		(22,774)	(15,314)	(220,358)
At 31 May 2014		1,035,351	682,685	8,447,402
Net book value				
At 31 May 2014		365,505	159,284	5,161,963
At 31 May 2013		406,757	97,996	5,383,372

The net book value of fixed assets includes an amount of £449,587 (2013: £719,833) 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 £187,342 (2013: £193,307).

Notes to the Financial Statements

For the year ended 31 May 2014

11. Fixed asset investments

Company	Shares in group undertakings £
Cost and net book value	
At 1 June 2013 and 31 May 2014	3,702,983
Net book value	
At 31 May 2014	3,702,983
At 31 May 2013	3,702,983

The company had the following subsidiary undertakings as at 31 May 2014:

	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
	"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	-	100	Dormant
Proplas Limited	Ordinary	-	100	Dormant
Homeline Building Products Limited	Ordinary	-	100	Dormant
Highline Building Plastics (Gateshead) Limited	Ordinary	-	100	Dormant

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

Notes to the Financial Statements

For the year ended 31 May 2014

12. Stocks

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	2,439,740	1,799,927	-	-
Goods purchased for resale/finished goods	3,135,199	2,573,939	-	-
	<u>5,574,939</u>	<u>4,373,866</u>	<u>-</u>	<u>-</u>

13. Debtors

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	6,638,114	6,539,529	-	-
Amounts owed by group undertaking	-	-	999,898	999,898
Other debtors	105,012	40,402	200	200
Directors' loan accounts	71,947	739,208	-	-
Prepayments and accrued income	1,286,975	1,069,855	-	-
Corporation tax recoverable	-	52,152	-	-
Deferred tax asset (see note 16)	37,077	-	-	-
	<u>8,139,125</u>	<u>8,441,146</u>	<u>1,000,098</u>	<u>1,000,098</u>

Notes to the Financial Statements

For the year ended 31 May 2014

14. Creditors: Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank overdraft	396,582	64,577	-	-
Deferred consideration	135,000	-	-	-
Amounts due under finance leases	110,196	336,327	-	-
Trade creditors	5,715,116	5,650,956	-	-
Amounts owed to related parties	591,382	1,778,010	-	-
Corporation tax payable	332,648	-	-	-
Other taxation and social security	1,756,782	1,286,509	-	-
Other creditors	422,302	491,731	75,000	-
Accruals and deferred income	3,306,382	3,053,771	-	-
	12,766,390	12,661,881	75,000	-

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.

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

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	12,558	89,849	-	-
Other creditors	-	75,000	-	75,000
Deferred consideration	151,617	-	-	-
	164,175	164,849	-	75,000

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

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Between one and five years	12,558	89,849	-	-

Notes to the Financial Statements

For the year ended 31 May 2014

16. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	-	(52,565)	-	-
Credited in the year	37,077	52,565	-	-
At end of year	37,077	-	-	-

The deferred taxation balance is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	84,631	44,563	-	-
Short term timing differences	(121,708)	-	-	-
Tax losses carried forward	-	(44,563)	-	-
	(37,077)	-	-	-

The group has an unprovided deferred tax asset in relation to trade tax losses carried forward of £98,509 (2013: £307,857).

17. Provisions

	Warranty provision	Dilapidations provision	Total
	£	£	£
At 1 June 2013	389,669	-	389,669
Additions	-	314,758	314,758
Movement during the year	105,916	-	105,916
At 31 May 2014	495,585	314,758	810,343

Warranty provision

A provision of £495,585 (2013: £389,669) has been recognised for expected warranty claims on products sold by the group.

Dilapidations provision

A provision of £314,758 (2013: £Nil) has been recognised for anticipated site restoration costs on leased properties.

The company has no provisions.

Notes to the Financial Statements

For the year ended 31 May 2014

18. Share capital

	2014 £	2013 £
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.

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 2014

19. Reserves

	Profit and loss account £
Group	
At 1 June 2013	423,742
Profit for the financial year	711,151
	<hr/>
At 31 May 2014	1,134,893
	<hr/>

20. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Group		
Opening shareholders' funds	5,051,823	4,774,711
Profit for the financial year	711,151	277,112
	<hr/>	<hr/>
Closing shareholders' funds	5,762,974	5,051,823
	<hr/>	<hr/>

	2014 £	2013 £
Company		
Shareholders' funds at 1 June 2013 and 31 May 2014	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. The profit for the year is £Nil (2013: £Nil).

21. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	1,475,627	380,718
Amortisation of intangible fixed assets	121,623	-
Depreciation of tangible fixed assets	1,382,584	1,396,213
Loss/(profit) on disposal of tangible fixed assets	60,550	(127,816)
(Increase)/decrease in stocks	(1,201,074)	769,660
Decrease in debtors	285,850	242,911
(Decrease)/increase in creditors	(980,273)	218,752
Increase in provisions	420,674	14,292
	<hr/>	<hr/>
Net cash inflow from operating activities	1,565,561	2,894,730
	<hr/>	<hr/>

Notes to the Financial Statements

For the year ended 31 May 2014

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	1,236	-
Interest paid	(60,278)	(118,634)
Finance lease interest	(1,555)	(37,537)
Net cash outflow from returns on investments and servicing of finance	(60,597)	(156,171)
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,197,675)	(436,324)
Sale of tangible fixed assets	8,850	368,578
Net cash outflow from capital expenditure	(1,188,825)	(67,746)
	2014 £	2013 £
Acquisitions and disposals		
Acquisition of subsidiaries	(295,575)	-
	2014 £	2013 £
Financing		
Capital element of finance lease rentals	(336,323)	(435,289)

23. Analysis of changes in net debt

	1 June 2013 £	Cash flow £	Other non-cash changes £	31 May 2014 £
Cash at bank and in hand	69,838	16,246	-	86,084
Bank overdraft	(64,577)	(332,005)	-	(396,582)
	5,261	(315,759)	-	(310,498)
Debt:				
Finance leases	(426,176)	336,323	(32,900)	(122,753)
Net debt	(420,915)	20,564	(32,900)	(433,251)

Notes to the Financial Statements

For the year ended 31 May 2014

24. Post balance sheet events

Subsequent to the year end, the share capital allocations were restructured whereby each A share of £1 was subdivided into 100 ordinary shares of £0.01 and each B share of £1 was subdivided into 100 shares of £0.01. Furthermore 4,444 C ordinary shares of £0.01 were allotted and issued. Therefore the number of allotted and issued A shares is 20,000, the number of allotted and issued B Shares is 20,000 and the number of allotted and issued C Shares is 4,444.

Having established there were sufficient distributable reserves the directors proposed a dividend of £74.906 per Ordinary C Share resulting in a total dividend proposed of £332,883.

25. 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 £119,160 (2013: £140,443) represents contributions payable by the group to the scheme.

Included within accruals is £17,124 (2013: £35,545) in relation to outstanding contributions.

26. 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 designated members in Bridgemere Properties LLP. Interest is payable on a loan from Bridgemere Properties LLP amounting to £500,000 at 1% above the base rate. At 31 May 2014 the group owed Bridgemere Properties LLP £227,445 (2013: £333,528). 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 LLP's. At 31 May 2014 the group owed Greensmith Property Investments LLP £Nil (2013: £366,958), Shadsworth Property Investments LLP £nil (2013: £116,783) and Shadsworth Business Park LLP £Nil (2013: £424,524). These amounts due have all been included in amounts owed to related parties.

A D Greensmith is a director of Crown Oil Limited. The group made sales to Crown Oil Limited in the year amounting to £Nil (2013: £nil) and purchases amounted to £77,693 (2013: £106,731). At 31 May 2014 the company owed Crown Oil Limited £363,764 (2013: £451,362).

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 £2,007 (2013: £34,342). At 31 May 2014 the group owed Crown Telecom Solutions Limited £173 (2013: £Nil).

Notes to the Financial Statements

For the year ended 31 May 2014

Loans (to)/from directors

During the year loans have been made available to the directors by the group. At 31 May 2014 the balances outstanding were as follows:

	2014 £	2013 £
A D Greensmith	-	(474,658)
S D Bird	-	(209,961)
S M T Brayshaw	(71,947)	(54,589)
Total	<u>(71,947)</u>	<u>(739,208)</u>

The maximum overdrawn balances during the year on the A D Greensmith, S D Bird and S M T Brayshaw directors' loan accounts were £665,591 (2013: £474,658), £288,716 (2013: £209,961) and £71,947 (2013: £54,589) respectively.

During the financial year, directors loans due from AD Greensmith and SD Bird, totalling £684,419 (2013: £Nil) were waived by the company, and the corresponding amount has therefore been written off as a bad debt expense.

Subsequent to the year end, directors loan accounts of £369,580 have been waived, and are therefore provided against in full as at 31 May 2014.

27. Capital commitments

The group and company had no capital commitments at 31 May 2014 or 31 May 2013.

28. 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 (2013: £Nil).

29. Operating lease commitments

At 31 May 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014 £	2013 £
Group		
Expiry date:		
Within 1 year	656,202	874,512
Between 2 and 5 years	100,000	250,705
After more than 5 years	<u>360,361</u>	<u>22,300</u>

Notes to the Financial Statements

For the year ended 31 May 2014

30. 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 2014 is £396,582 (2013: £64,577).

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 2014 or 31 May 2013.

31. Acquisition of Highline Building Plastics (Gateshead) Limited

On 16 July 2013, the Group acquired 100% of the share capital of Highline Building Plastics (Gateshead) Limited for an initial consideration of £250,575 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. This has been estimated at £106,617.

The purchase has been accounted for under the acquisition method of accounting. The goodwill arising on the acquisition has been capitalised and is being amortised over 5 years.

In calculating the goodwill arising on acquisition, the fair value of the net assets acquired has been assessed and adjustments from book value have been made where necessary. No adjustments were deemed necessary.

	Book and fair value £
Debtors	22,597
Creditors	(103,799)
Net liabilities acquired	(81,202)
Goodwill capitalised	663,394
Consideration	582,192