

Registered Number 03846688

**Allied Glass Containers Limited**  
**Annual Report and Financial Statements**  
**for the year ended 7 December 2013**

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# Allied Glass Containers Limited

## Annual Report and Financial Statements

### for the year ended 7 December 2013

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# **Allied Glass Containers Limited**

## **Directors and advisers for the year ended 7 December 2013**

### **Directors**

A Henderson

P Morris

R Summers

J T Hart

J Naughton

### **Company secretary**

J S McLean

### **Registered Office**

69 South Accommodation Road

Leeds

LS10 1NQ

### **Independent auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

### **Solicitors**

Eversheds LLP

Bridgewater Place

Water Lane

Leeds

LS11 5DR

### **Bankers**

Lloyds Bank Corporate Markets

Wholesale Loans Agency

1st Floor

10 Gresham Street

London

EC2V 7AE

# Allied Glass Containers Limited

## Strategic report for the year ended 7 December 2013

The Directors present their strategic report and the audited financial statements of the Company for the year ended 7 December 2013.

### Review of business and future developments

2013 has seen significant investment supporting good cost control measures and continual cost improvement initiatives. The achievement of being first in the UK glass container industry to obtain BS OHSAS 18001 accreditation is one that the Company is very proud of emphasising its commitment to providing excellent Health and Safety within the business. The rebuild and expansion of one of the furnaces during the year further progresses the Company's high environmental and energy efficient ambitions, as well as supporting future growth plans.

Underlying turnover has improved and new product development continues at a healthy pace with good continuity and conversion of new opportunities to support plans for organic growth in the future.

### Key performance indicators

	7 December 2013		8 December 2012	
	Actual	Target	Actual	Target
Net working capital as a % of last 3 months sales	11.0	14.0	9.6	13.7
Actual less than target is better than.				
Gross Margin %	34.6	35.1	35.7	35.6
Actual greater than target is better than				

These are considered by the directors as being fundamental measures to the business' financial wellbeing.

### By order of the Board



**J S McLean**  
**Company Secretary**  
28 March 2014

# Allied Glass Containers Limited

## Directors' report for the year ended 7 December 2013

### **Significant transaction**

On 8 November 2013 the entire share capital of the company's ultimate parent company, Allied Glass Group Limited, was acquired by Project Aqua Bidco Limited with the ultimate controlling party changing to CBPE Capital from Equistone Partners Europe. Allied Glass Group Limited remained as the parent undertaking of the largest and smallest group of undertakings to consolidate financial statements as at 7 December 2013. As a result of the acquisition the Group's existing bank term loans and loan notes were repaid, and new financing put in place at the new parent company level.

### **Principal risk and uncertainties facing the Company**

The key area of uncertainty for the Company is how well it adapts to ever changing circumstances and challenges presented by economical, political and technological influences. This includes interest rate and currency fluctuations, credit, liquidity and other financial risks sensitive to pricing decisions and competitive pressure. The company attempts to manage these risks by using a variety of measures and policies governed by the Directors. The use of appropriate external advice and development of appropriate strategies to counter the threats posed are undertaken.

### **Financial risk management**

The Company's principal financial instruments comprise sterling cash and bank deposits, bank loans and overdrafts, other loans and obligations under finance leases together with trade debtors and trade creditors that arise directly from its operations. Each of these are managed and maintained at levels deemed appropriate by the Directors in order to mitigate the risks identified.

The main risks arising from the company's financial instruments can be analysed as follows:

#### ***Foreign currency risk***

The Company is exposed in its trading operations to the risk of changes in foreign currency exchange rates. As the Company both buys and sells goods within Europe, principally as well as the US the overall risk is not significant. The main foreign currencies in which the company operates are the Euro and the US dollar.

#### ***Credit risk***

The Company's principal financial assets are bank balances, cash and trade debtors and represent the Company's total exposure to credit risk in relation to financial assets.

The Company's credit risk is primarily attributable to its trade debtors, which are covered by an appropriate level of credit insurance.

#### ***Liquidity risk***

The Company's policy is to ensure there are appropriate levels of funding through various facilities including medium term bank loans, management backed loan notes, the acquisition of an element of the Company's fixed assets under finance leases, and overdraft and revolving credit facilities to manage its working capital requirements.

# Allied Glass Containers Limited

## Directors' report for the year ended 7 December 2013 (continued)

### ***Cash flow interest rate risk***

Interest bearing assets comprise cash and bank deposits, all of which earn interest at a variable rate. Interest arising on the bank overdraft is at market rate. The Company's policy is to maintain the majority of other borrowings at fixed rates to fix the amount of future interest cash flows. In some instances rates are fixed by the use of financial swaps. The Directors monitor the overall level of borrowings and interest costs to limit any adverse effects on the financial performance of the Company.

### **Equity dividends**

The Directors declared and paid a final dividend of £6,182,271 on its Ordinary shares of £1 each in the 2013 financial year (2012: £nil) amounting to £220,795.39 per share (2012: £nil).

### **Going concern**

The financial statements have been prepared on a going concern basis. The Directors have considered a number of factors, which are described in the going concern section of the statement of accounting policies, in reaching their conclusion.

As a consequence the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Company financial statements.

### **Directors**

The current Directors of the Company are set out on page 1 all of whom served throughout the year and up to the date of these financial statements. Mr B W McMillan and Mr A Spencer resigned as Directors on 8 November 2013.

No Director had at any time during the year any material interest in a contract with the Company.

### **Environmental**

The Company continues to maintain registration to the International Environmental Standard ISO 14001. The necessary permits to operate the manufacturing sites under the Integrated Pollution Prevention and Control regulations are in place and the Company continues to invest significant capital in plant and machinery to ensure continuation of the permits. Compliant investment in 2013 amounted to £Nil (2012: £24,000).

The Company is a member of the UK Glass Industry Climate Change Agreement ("UK CCA"), which on the achievement of certain energy saving measures receives a discount of 90% (2012: 80%) effective from 1 April 2013 of the UK Climate Change Levy. All of the Company's commitments to the UK CCA have been met during the year.

The Company's registration as a re-processor of recycled glass has been maintained throughout the year. The Company began to operate within phase 3 of the European carbon emissions trading scheme from 1 January 2013. The Company's accounting policy to this scheme is described in Statement of accounting policies of the financial statements.

# **Allied Glass Containers Limited**

## **Directors' report for the year ended 7 December 2013 (continued)**

### **Employee involvement**

During the year the Company continued to provide employees with relevant information and to seek their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting the Company's trading position and of any significant organisational changes.

Employee involvement in the Company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Company plays a major role in maintaining its vibrancy. The Company encourages the involvement of employee's by means of its own intranet site, and committees such as works council, pension governance and sports and social.

It is the policy of the Company to support the employment of disabled persons where possible, both in recruitment and by retention of employees who become disabled whilst in the employment of the Company, as well as generally through training and career development.

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Allied Glass Containers Limited**

## **Directors' report for the year ended 7 December 2013 (continued)**

### **Disclosure of information to auditors**

Each of the person's who is a director at the date of approval of this report confirms that:

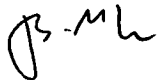
- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (2) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

### **By order of the Board**



**J S McLean**  
**Company Secretary**  
28 March 2014



# **Allied Glass Containers Limited**

## **Independent auditors' report to the members of Allied Glass Containers Limited**

We have audited the financial statements of Allied Glass Containers Limited for the year ended 7 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Accounting Policies 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).

### **Respective responsibilities of Directors and auditors**

As explained more fully in the directors' responsibilities statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 7 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

# **Allied Glass Containers Limited**

## **Independent auditors' report to the members of Allied Glass Containers Limited (continued)**

### **Matters on which we are required to report by exception**

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

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



Andy Ward (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
31 March 2014

# Allied Glass Containers Limited

## Profit and loss account for the year ended 7 December 2013

	Note	2013 £'000	2012 £'000
<b>Turnover</b>	1	<b>103,169</b>	102,083
Cost of sales		<b>(74,534)</b>	(72,493)
<b>Gross profit</b>		<b>28,635</b>	29,590
Distribution costs		<b>(10,338)</b>	(11,154)
Administrative expenses		<b>(4,021)</b>	(4,012)
<b>Operating profit</b>	2	<b>14,276</b>	14,424
Interest receivable and similar income		<b>29</b>	28
Interest payable and similar charges	3	<b>(231)</b>	(308)
<b>Profit on ordinary activities before taxation</b>		<b>14,074</b>	14,144
Tax on profit on ordinary activities	7	<b>(9,929)</b>	(6,913)
<b>Profit for the financial year</b>	20	<b>4,145</b>	7,231

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

All of the activities of the Company are classified as continuing.

# Allied Glass Containers Limited

## Balance sheet as at 7 December 2013

	Note	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Intangible assets	8	993	1,134
Tangible assets	9	32,748	32,292
Investments	10	904	904
		<b>34,645</b>	<b>34,330</b>
<b>Current assets</b>			
Stocks	11	14,647	14,590
Debtors	12	26,663	31,393
Cash at bank and in hand		9,405	12,252
		<b>50,715</b>	<b>58,235</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(31,405)</b>	<b>(35,168)</b>
<b>Net current assets</b>		<b>19,310</b>	<b>23,067</b>
<b>Total assets less current liabilities</b>		<b>53,955</b>	<b>57,397</b>
Creditors: amounts falling due after more than one year	14	(1,832)	(2,842)
Provisions for liabilities	16	(1,886)	(2,281)
<b>Net assets</b>		<b>50,237</b>	<b>52,274</b>
<b>Capital and reserves</b>			
Called up share capital	19	-	-
Share premium account	20	37,126	37,126
Profit and loss account	20	13,111	15,148
<b>Total shareholders' funds</b>	21	<b>50,237</b>	<b>52,274</b>

The financial statements on pages 9 to 25 were approved by the board of Directors on 28 March 2014 and were signed on its behalf by:



**J T Hart**  
Director



**A Henderson**  
Director

Registered number: 03846688

# **Allied Glass Containers Limited**

## **Statement of accounting policies for the year ended 7 December 2013**

### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principle accounting policies are set out below. These have been applied consistently.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Allied Glass Group Limited, a company incorporated in England and Wales. Accordingly, the financial statements contain information about the Company as an individual entity only.

Under Financial Reporting Standard 1 (Revised 1996), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A group cash flow statement is included in the financial statements of Allied Glass Group Limited.

The Company is controlled by Allied Glass Group Limited and is exempt from disclosing transactions with it and other group companies under Financial Reporting Standard 8 as it is a wholly owned subsidiary undertaking included within the consolidated financial statements which are publicly available.

### **Going concern**

In determining whether the Company financial statements should continue to adopt the going concern basis the following factors are considered:

- The Company meets its day-to-day working capital requirements through its group banking facilities for the foreseeable future. In doing so, cash flow forecasts are prepared with the use of financial modelling techniques.
- Key performance indicators are monitored with targets set to ensure that group bank covenants are met and tracking in accordance with plan.
- Sources of finance are in place at the parent company level for the foreseeable future that ensures the Company is able to meet its adopted strategy.

# Allied Glass Containers Limited

## Statement of accounting policies for the year ended 7 December 2013 (continued)

### Turnover

Turnover is the revenue arising from the sales of goods and services. It 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 been 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.

### Fixed assets and depreciation

Depreciation is provided evenly on the cost or valuation of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets in the course of construction.

The anticipated life of fixed assets is generally deemed to be no longer than:

Freehold buildings	50 years
Plant and machinery	12 years
Motor vehicles (disclosed within plant and machinery in note 9)	5 years
Mould equipment (disclosed within plant and machinery in note 9)	4 years

Where there is evidence of impairment, fixed assets are written down to recoverable amount.

### Investments

Investments held by the Company in subsidiary undertakings are carried at cost less impairments to write them down to their recoverable amount. Impairment to the carrying value of investments is made if there is an indication at the balance sheet date that the carrying value is not recoverable.

### Leased assets

Assets held under finance lease are included in the balance sheet and depreciated in accordance with the Company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the terms of the leases.

### Stocks

Stocks are stated at the lower of cost and net realisable value after making due provision against obsolete and slow moving items. In the case of manufactured goods the term 'cost' includes raw materials, production wages and production overheads.

# **Allied Glass Containers Limited**

## **Statement of accounting policies for the year ended 7 December 2013 (continued)**

### **Deferred taxation**

Deferred tax is provided, except as noted below, on timing differences that have arisen but not reversed by the balance sheet date. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

In accordance with FRS 19 deferred tax is not provided on timing differences arising from:

- a) Revaluation gains on land and buildings, unless there is a binding agreement to sell them at the balance sheet date; and
- b) Gains on the sale of non-monetary assets, where on the basis of all available evidence it is more likely than not that the taxable gain will be rolled over into replacement assets.

Deferred tax assets are recognised if they are expected to be recovered.

Deferred tax is measured at the tax rates expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses in due course.

### **Foreign currencies**

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

### **Pension costs**

The Company operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the Company. The pension cost represents contributions payable in the year.

### **Intangible fixed assets**

Purchases of intangible fixed assets are included in the balance sheet at cost less accumulated amortisation. The assets are amortised in equal instalments over their estimated useful economic lives, being 20 years.

The useful economic lives are reviewed annually and revised if necessary. Provision is made for any impairment.

# **Allied Glass Containers Limited**

## **Statement of accounting policies for the year ended 7 December 2013 (continued)**

### **Carbon emissions allowances**

The Company has energy activities that are subject to the European carbon emissions trading scheme and is allocated carbon emissions allowances by the UK government.

Where actual carbon emissions in the year are less than the allowances received (adjusted for allowances traded in the year), the unused allowances are recognised on the balance sheet at the lower of their original market value at the date of grant and their value at the balance sheet date and income to that value is recognised as government grants received. Where actual carbon emissions exceed the granted allowances in the year (adjusted for allowances traded in the year), a liability is recognised based on the fair value at the balance sheet date of the additional allowances required and is shown in the profit and loss account as an emissions expense. Sales during the year of allowances are recorded in the financial statements as carbon emissions traded.



# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013

### 1 Turnover

Turnover by geographic market	2013	2012
	£'000	£'000
UK	93,682	92,693
Rest of Europe	8,445	8,801
Rest of the World	1,042	589
	103,169	102,083

All turnover is derived from the same class of business.

### 2 Operating profit

Operating profit is stated after charging / (crediting):	2013	2012
	£'000	£'000
Depreciation and other amounts written off tangible fixed assets		
- Owned	4,526	4,651
- Leased	668	701
Operating lease rentals		
- Plant and machinery	284	212
- Land and buildings	1,165	1,166
Amortisation of goodwill (included within administrative expenses)	141	142
Profit on disposal of fixed assets	(4)	(20)
Carbon emissions	56	(115)
Auditors' remuneration		
Services to the Company and its subsidiaries		
- fees payable to the Company auditor for the audit of the annual reported financial statements	24	22
Fees payable to the Company's auditor for other services		
- Other services relating to taxation – compliance and advice	15	12

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 3 Interest payable and similar charges

	2013	2012
	£'000	£'000
Interest payable on financial leases	77	114
Interest payable on bank overdrafts	14	-
Other similar charges payable	140	194
	231	308

### 4 Employee information

Average monthly number of persons employed by the Company (including Directors) during the year analysed by category was as follows:

By activity	2013	2012
Production	574	590
Sales and distribution	57	59
Administration	28	32
	659	681

### 5 Employee costs

The aggregate payroll costs of these persons were as follows:

	2013	2012
	£000	£000
Wages and salaries	20,717	21,127
Social security costs	2,160	2,213
Other pension costs	1,134	1,063
	24,011	24,403

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 6 Directors information

All Directors of the Company are employed and remunerated by another Group company. The Directors receive no remuneration in respect of services to the Company (2012: £nil).

### 7 Tax on profit on ordinary activities

The tax assessed for the year is higher (2012: higher) than the effective rate of corporation tax in the UK (23.33%)

a) Analysis of charge in year	2013 £'000	2012 £'000
<b>Taxation on the profit for the year</b>		
UK corporation tax at 23.33% (2012: 24.63%)	1,746	2,323
Payment for group relief	7,187	4,406
Adjustment in respect of prior years	1,391	350
<b>Total current tax</b>	<b>10,324</b>	<b>7,079</b>
<b>Deferred tax</b>		
Origination of timing differences (note 17)	(395)	(166)
<b>Tax on profit on ordinary activities</b>	<b>9,929</b>	<b>6,913</b>

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 7 Tax on profit on ordinary activities (continued)

<b>b) Factors affecting tax charge for the year</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before tax	<b>14,074</b>	14,144
Profit on ordinary activities multiplied by the effective rate of corporation tax in the UK of 23.33% (2012: 24.63%)	<b>3,283</b>	3,484
Effects of:		
Expenses not deductible for tax purposes	<b>45</b>	51
Transfer pricing adjustments	-	(2)
Goodwill amortisation	<b>33</b>	35
Capital allowances in excess of depreciation	<b>85</b>	113
Other short term timing differences	<b>(24)</b>	5
Payment for group relief	<b>5,511</b>	3,043
Adjustment in respect of prior years	<b>36</b>	(743)
Adjustment in respect of prior years group relief	<b>1,355</b>	1,093
<b>Total current tax (note 7a)</b>	<b>10,324</b>	7,079

The prior year adjustments arise as a result of a change in the approach to charges on intercompany balances for tax purposes and payments for group relief thereon. This adjustment has no corporation tax impact and there is no net adjustment at a group level.

The standard rate of Corporation Tax in the United Kingdom changed from 24% to 23% with effect from 1 April 2013. Accordingly the Company's profits for this accounting period are taxed at an effective rate of 23.33%.

The rate will be reduced to 21% with effect from 1 April 2014.

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 8 Intangible fixed assets

	<b>Goodwill</b>
	<b>£'000</b>
<b>Cost or valuation</b>	
At 9 December 2012 and 7 December 2013	<b>2,836</b>
<b>Amortisation</b>	
At 9 December 2012	1,702
Charge for the year	<b>141</b>
<b>At 7 December 2013</b>	<b>1,843</b>
<b>Net book amount</b>	
<b>At 7 December 2013</b>	<b>993</b>
At 9 December 2012	1,134

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 9 Tangible fixed assets

	Land and buildings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 9 December 2012	9,685	78,746	2,132	90,563
Additions	94	3,866	1,963	5,923
Transfers	19	2,113	(2,132)	-
Disposals	-	(5,439)	-	(5,439)
<b>At 7 December 2013</b>	<b>9,798</b>	<b>79,286</b>	<b>1,963</b>	<b>91,047</b>
<b>Accumulated depreciation</b>				
At 9 December 2012	4,118	54,153	-	58,271
Charge for the year	199	5,194	-	5,393
Disposals	-	(5,365)	-	(5,365)
<b>At 7 December 2013</b>	<b>4,317</b>	<b>53,982</b>	<b>-</b>	<b>58,299</b>
<b>Net book amount</b>				
<b>At 7 December 2013</b>	<b>5,481</b>	<b>25,304</b>	<b>1,963</b>	<b>32,748</b>
At 9 December 2012	5,567	24,593	2,132	32,292

The net book value of tangible fixed assets includes £5,081,000 (2012: £5,498,000) in respect of assets held under finance leases. Depreciation charged in the year on those assets amounted to £668,000 (2012: £701,000).

The Company has made commitments for capital expenditure of £1,412,000 (2012: £1,411,000) for which no provision has been made in these financial statements.

Net book amount of Land and Buildings is comprised of:

	2013	2012
	£'000	£'000
Freehold	5,426	5,507
Long leasehold	55	60
	<b>5,481</b>	<b>5,567</b>

Freehold land of £14,000 (2012: £14,000) is not depreciated.

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 10 Investments

	Shares in subsidiary undertakings £'000
Cost	
At 9 December 2012 and 7 December 2013	904

The carrying value of the investment is supported by the underlying net asset position of the subsidiaries.

Subsidiaries	Interest in ordinary share and voting rights	Direct / Indirect holding	Country of registration	Principal activity
Lax & Shaw Limited	100%	Direct	England	Dormant
Gregg & Company (Knottingley) Limited	100%	Direct	England	Dormant

### 11 Stocks

	2013 £'000	2012 £'000
Raw materials and consumables	2,906	3,080
Finished goods	11,741	11,510
	<b>14,647</b>	<b>14,590</b>

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 12 Debtors

	2013 £'000	2012 £'000
Trade debtors	14,237	15,884
Amounts owed by group undertakings	10,851	13,839
Other debtors	280	147
Prepayments and accrued income	1,295	1,523
	<b>26,663</b>	<b>31,393</b>

Amounts owed by group undertakings are repayable on demand and carry no interest charge or security. Included within these group undertakings is a related party debtor of £271,000 owed by Project Aqua Bidco Limited.

### 13 Creditors: Amounts falling due within one year

	2013 £'000	2012 £'000
Bank loans and overdrafts	1,113	722
Obligations under finance leases	1,011	1,174
Trade creditors	12,184	13,664
Corporation tax	453	1,059
Amounts owed to group undertakings	11,255	12,543
Other taxation and social security	2,170	2,531
Accruals and other deferred income	3,219	3,475
	<b>31,405</b>	<b>35,168</b>

Amounts owed to group undertakings are repayable on demand, and carry no interest or security.

The Company is a guarantor to the Group's £70 million senior terms facility entered into on 8 November 2013.



# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 14 Creditors: Amounts falling due after more than one year

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Obligations under finance leases	<b>1,832</b>	<b>2,842</b>

### 15 Finance lease obligations

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due under finance leases		
Due within 1 year	<b>1,011</b>	<b>1,174</b>
Due between 1 - 2 years	<b>960</b>	<b>1,009</b>
Due between 2 - 5 years	<b>872</b>	<b>1,789</b>
Due over 5 years	<b>-</b>	<b>44</b>
	<b>2,843</b>	<b>4,016</b>

### 16 Provisions for liabilities

	<b>Total</b>
	<b>£'000</b>
At 9 December 2012	<b>2,281</b>
Credited to the profit and loss account	<b>(395)</b>
At 7 December 2013 (see note 17)	<b>1,886</b>

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 17 Deferred taxation

	2013	2012
	£'000	£'000
Accelerated capital allowances	1,931	2,353
Other short term timing differences	(45)	(72)
Total deferred tax provision	1,886	2,281

### 18 Dividends

	2013	2012
	£'000	£'000
<b>Equity</b>		
£220,795.39 (2012: £nil) per £1 ordinary share	6,182	-

### 19 Called up share capital

	2013	2012
	£	£
<b>Authorised</b>		
Ordinary shares of £1 each	1,000	1,000
<b>Allotted and fully paid</b>		
Ordinary shares of £1 each	28	28

### 20 Reserves

	Share premium account	Profit and loss account
	£'000	£'000
At 9 December 2012	37,126	15,148
Profit for the financial year	-	4,145
Dividend (see note 18)	-	(6,182)
<b>At 7 December 2013</b>	<b>37,126</b>	<b>13,111</b>

# Allied Glass Containers Limited

## Notes to the financial statements for the year ended 7 December 2013 (continued)

### 21 Reconciliation of movements in shareholders' funds

	2013	2012
	£'000	£'000
Profit for the financial year	4,145	7,231
Dividend	(6,182)	-
Net (reduction in) / addition to shareholders' funds	(2,037)	7,231
Opening shareholders funds	52,274	45,043
<b>Total shareholders' funds</b>	<b>50,237</b>	<b>52,274</b>

### 22 Operating lease commitments

	2013		2012	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
<b>Operating leases which expire:</b>				
Within one year	12	71	12	20
In the second to fifth years	461	213	461	182
Over five years	692	-	692	-
<b>At 7 December 2013</b>	<b>1,165</b>	<b>284</b>	<b>1,165</b>	<b>202</b>

### 23 Ultimate controlling party

The immediate holding company as defined by FRS 8 is Allied Glass Holdings Limited, which is incorporated in Great Britain and registered in England and Wales.

Following the acquisition of the Group by CBPE Capital LLP the ultimate parent company of the Group became Project Aqua Topco Limited.

The Directors consider the ultimate controlling party to be CBPE Capital LLP.

Allied Glass Group Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 7 December 2013. The consolidated financial statements of Allied Glass Group Limited are available from Companies House.