

**COMPANY REGISTRATION NUMBER: 03978094**

**English Architectural Glazing Limited**  
**Financial statements**  
**31 December 2019**



# **English Architectural Glazing Limited**

## **Financial statements**

**Year ended 31 December 2019**

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# **English Architectural Glazing Limited**

## **Officers and professional advisers**

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<b>The board of directors</b>	E C Whipp J M Cocks A J Ducker J G Rawlings N Tappin
<b>Company secretary</b>	J M Cocks
<b>Registered office</b>	Chiswick Avenue Mildenhall Suffolk United Kingdom IP28 7AY
<b>Auditor</b>	Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
<b>Bankers</b>	Bank of Scotland 3 Queen Street Norwich Norfolk NR2 4SG

# English Architectural Glazing Limited

## Strategic report

Year ended 31 December 2019

### Principal activities and business review

The principal activity of the company during the year was that of major commercial glazing contractors.

The company uses a range of performance measures to monitor and manage the business effectively, the most significant of which are the key performance indicators ("KPI's"). The KPI's for the company are turnover, gross profit margins and profit before taxation. These KPI's indicate the volume of work the company has undertaken as well as the efficiency and profitability with which this work has been delivered.

The KPI's for the year to 31 December 2019 are as follows:

	2019	2018
	£	£
Turnover	18,819,263	17,807,621
Profit before taxation	2,146,843	1,897,283
	2019	2018
	%	%
Gross profit percentage	21	18

The directors are satisfied with the company's statement of financial position at the year end, which shows net current assets of £2,388,697 and shareholders funds of £2,950,299.

The results for 2019 show an increase in turnover compared to 2018, but also a significant increase in the gross profit percentage, which combine to yield a substantial increase in profit before taxation.

The company has a substantial order book of existing and new contracts for 2020, and therefore a further increase in turnover is anticipated, together with a similar level of profit before taxation.

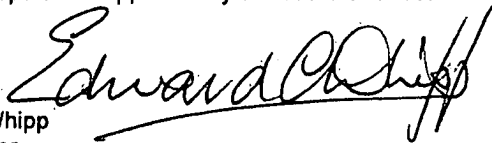
The directors have considered the likely potential effect of Brexit on the company's forecast operating performance. Whilst Brexit might cause some supply chain delays on European imports, the quantity of imports into the business is relatively low. These transactions can be managed on a project by project basis to ensure no significant detrimental effect occurs to the company. The directors do not perceive there to be any other significant effects of Brexit to the company.

Whilst the full impact of the coronavirus pandemic cannot be accurately predicted, the impact has to a large extent been mitigated, with the company continuing to operate at levels close to those achieved pre pandemic.

A review of the company's risks and uncertainties is included in note 21.

This report was approved by the board of directors on 15/10/20 and signed on behalf of the board by:

E C Whipp  
Director



N Tappin  
Director



Registered office:  
Chiswick Avenue  
Mildenhall  
Suffolk  
United Kingdom  
IP28 7AY

# **English Architectural Glazing Limited**

## **Directors' report**

**Year ended 31 December 2019**

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The directors present their report and the financial statements of the company for the year ended 31 December 2019.

### **Directors**

The directors who served the company during the year were as follows:

S E Gladwin

E C Whipp

J M Cocks

A J Ducker

G D Koral

(Appointed 16 August 2019)

(Served from 16 August 2019 to 10 September 2019)

Post year end, S E Gladwin resigned as a Director on 11 September 2020. J G Rawlings and N Tappin were also appointed as Directors on 11 September 2020.

### **Dividends**

Particulars of recommended dividends are detailed in note 12 to the financial statements.

### **Events after the end of the reporting period**

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

### **Disclosure of information in the strategic report**

The directors have chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

### **Directors' responsibilities statement**

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 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

# English Architectural Glazing Limited

## Directors' report *(continued)*

Year ended 31 December 2019

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### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 15/10/20 and signed on behalf of the board by:

E C Whipp  
Director



N Tappin  
Director



Registered office:  
Chiswick Avenue  
Mildenhall  
Suffolk  
United Kingdom  
IP28 7AY

# **English Architectural Glazing Limited**

## **Independent auditor's report to the members of English Architectural Glazing Limited**

**Year ended 31 December 2019**

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### **Opinion**

We have audited the financial statements of English Architectural Glazing Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Emphasis of matter**

We draw attention to the narrative in note 27 of the financial statements (concerning post balance sheet events), which describes the observed impacts to date of the COVID-19 pandemic and the Company's assessment of the pandemic on its activities and financial position. Our opinion is not modified in respect of this matter.

# **English Architectural Glazing Limited**

## **Independent auditor's report to the members of English Architectural Glazing Limited (continued)**

**Year ended 31 December 2019**

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### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



# English Architectural Glazing Limited

## Independent auditor's report to the members of English Architectural Glazing Limited *(continued)*

Year ended 31 December 2019

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### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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.

*Lovewell Blake LLP*

Simon Watson FCCA (Senior Statutory Auditor)

For and on behalf of  
Lovewell Blake LLP  
Chartered accountants & statutory auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

*15 October 2020*

# English Architectural Glazing Limited

## Statement of income and retained earnings

Year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	18,819,263	17,807,621
Cost of sales		(14,909,221)	(14,566,138)
Gross profit		3,910,042	3,241,483
Administrative expenses		(1,794,204)	(1,378,876)
Operating profit	5	2,115,838	1,862,607
Other interest receivable and similar income	9	32,746	40,563
Interest payable and similar expenses	10	(1,741)	(5,887)
Profit before taxation		2,146,843	1,897,283
Tax on profit	11	(416,393)	(242,222)
Profit for the financial year and total comprehensive income		1,730,450	1,655,061
Dividends paid and payable	12	(1,265,377)	(2,445,100)
Retained earnings at the start of the year		2,385,226	3,175,265
Retained earnings at the end of the year		2,850,299	2,385,226

All the activities of the company are from continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

# English Architectural Glazing Limited

## Statement of financial position

31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	13	611,623	701,944
<b>Current assets</b>			
Stocks	14	295,336	165,690
Debtors	15	4,649,808	3,238,620
Cash at bank and in hand		3,718,988	2,986,598
		<u>8,664,132</u>	<u>6,390,908</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(6,275,435)</u>	<u>(4,548,433)</u>
<b>Net current assets</b>		<u>2,388,697</u>	<u>1,842,475</u>
<b>Total assets less current liabilities</b>		<u>3,000,320</u>	<u>2,544,419</u>
<b>Provisions</b>			
Taxation including deferred tax	18	<u>(50,021)</u>	<u>(59,193)</u>
<b>Net assets</b>		<u>2,950,299</u>	<u>2,485,226</u>
<b>Capital and reserves</b>			
Called up share capital	22	100,000	100,000
Profit and loss account	23	2,850,299	2,385,226
<b>Shareholders funds</b>		<u>2,950,299</u>	<u>2,485,226</u>

These financial statements were approved by the board of directors and authorised for issue on 15/10/20, and are signed on behalf of the board by:

E C Whipp  
Director



N Tappin  
Director



Company registration number: 03978094

The notes on pages 11 to 21 form part of these financial statements.

# English Architectural Glazing Limited

## Statement of cash flows

Year ended 31 December 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,730,450	1,655,061
<i>Adjustments for:</i>		
Depreciation of tangible assets	155,176	140,989
Other interest receivable and similar income	(32,746)	(40,563)
Interest payable and similar expenses	1,741	5,887
(Gains)/loss on disposal of tangible assets	(125)	32
Tax on profit	416,393	242,222
Accrued expenses	640,172	149,644
<i>Changes in:</i>		
Stocks	(129,646)	(33,951)
Trade and other debtors	(1,088,599)	45,666
Trade and other creditors	1,139,269	(270,032)
Cash generated from operations	2,832,085	1,894,955
Interest paid	(1,741)	(5,887)
Interest received	32,746	40,563
Tax paid	(438,538)	(455,385)
Net cash from operating activities	<u>2,424,552</u>	<u>1,474,246</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(64,855)	(126,641)
Proceeds from sale of tangible assets	125	603
Net cash used in investing activities	<u>(64,730)</u>	<u>(126,038)</u>
<b>Cash flows from financing activities</b>		
Movement on loans to and from group undertakings	(362,055)	192,595
Payments of finance lease liabilities	-	(47,932)
Dividends paid	(1,265,377)	(2,445,100)
Net cash used in financing activities	<u>(1,627,432)</u>	<u>(2,300,437)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>732,390</b>	<b>(952,229)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>2,986,598</b>	<b>3,938,827</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>3,718,988</u></b>	<b><u>2,986,598</u></b>

The notes on pages 11 to 21 form part of these financial statements.

# English Architectural Glazing Limited

## Notes to the financial statements

Year ended 31 December 2019

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Chiswick Avenue, Mildenhall, Suffolk, IP28 7AY, United Kingdom.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Amounts recoverable on contracts

Amounts recoverable on contracts represents the cost of work carried out to date, including uncertified amounts where the directors have satisfied themselves that entitlement has been established, together with any attributable profit, less any foreseeable losses and progress payments received and receivable. Where progress payments received exceed the value of work done the excess is shown as 'payments on account' in creditors.

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are detailed in the relevant accounting policies.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumption and source of estimation uncertainty that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is the measurement of revenue and profitability of long-term construction contracts which are in progress at the accounting reference date, the precise future outcome of which may vary depending on events after the accounting reference date. The carrying amount of amounts recoverable on contracts at the end of the reporting period is detailed in note 15.

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

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### 3. Accounting policies *(continued)*

#### Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts for on-going services is recognised by reference to the stage of completion.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	10 - 20% on cost
Fixtures and fittings	-	20% on cost
Motor vehicles	-	20% on cost
Computer equipment	-	33% on cost

No depreciation has been charged on the freehold land as this would not be material to the financial statements.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell, on a FIFO basis. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

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### 3. Accounting policies *(continued)*

#### Financial instruments

##### (I) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest.

Such assets are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income immediately.

##### (II) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a contract is entered into, and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss in finance costs or finance income as appropriate.

#### Defined contribution plans

The company operates defined contribution pension schemes for the directors and staff. The assets of the scheme are held separately from those of the company. The contributions payable are charged to the profit and loss account.

### 4. Turnover

Turnover arises from:

	2019	2018
	£	£
Construction contracts	18,819,263	17,807,621

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.



# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

### 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2019	2018
	£	£
Depreciation of tangible assets	155,176	140,989
(Gains)/loss on disposal of tangible assets	(125)	32
Foreign exchange differences	(3,628)	(179)
Operating lease payments	<u>159,980</u>	<u>158,685</u>

### 6. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>22,197</u>	<u>23,972</u>

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Administrative staff	62	63
Management staff	<u>4</u>	<u>4</u>
	<u>66</u>	<u>67</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019	2018
	£	£
Wages and salaries	2,652,966	2,515,762
Social security costs	287,038	260,817
Other pension costs	83,260	80,309
	<u>3,023,264</u>	<u>2,856,888</u>

### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	205,830	71,908
Company contributions to defined contribution pension plans	<u>5,834</u>	<u>22,820</u>
	<u>211,664</u>	<u>94,728</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2019	2018
	No.	No.
Defined contribution plans	<u>3</u>	<u>3</u>

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

### 8. Directors' remuneration *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2019 £	2018 £
Aggregate remuneration	71,992	25,803
Company contributions to defined contribution pension plans	2,000	9,520
	<u>73,992</u>	<u>35,323</u>

### 9. Other interest receivable and similar income

	2019 £	2018 £
Interest on cash and cash equivalents	21,500	23,115
Interest from group undertakings	8,803	16,051
Other interest receivable and similar income	2,443	1,397
	<u>32,746</u>	<u>40,563</u>

### 10. Interest payable and similar expenses

	2019 £	2018 £
Interest on obligations under finance leases and hire purchase contracts	—	5,887
Other interest payable and similar charges	1,741	—
	<u>1,741</u>	<u>5,887</u>

### 11. Tax on profit

#### Major components of tax expense

	2019 £	2018 £
<b>Current tax:</b>		
UK current tax expense	395,601	363,437
Adjustments in respect of prior periods	—	(111,852)
Group relief	29,964	—
Total current tax	<u>425,565</u>	<u>251,585</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(9,172)	(9,363)
<b>Tax on profit</b>	<u>416,393</u>	<u>242,222</u>

# English Architectural Glazing Limited

## Notes to the financial statements (continued)

Year ended 31 December 2019

### 11. Tax on profit (continued)

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

The differences are explained below:-

	2019 £	2018 £
Profit on ordinary activities before taxation	2,146,843	1,897,283
Profit on ordinary activities by rate of tax	407,900	360,484
Adjustment to tax charge in respect of prior periods	—	(111,852)
Effect of expenses not deductible for tax purposes	1,529	553
Difference in tax rates	6,964	(6,963)
Tax on profit	416,393	242,222

### 12. Dividends

	2019 £	2018 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	1,265,377	2,445,100
Dividends proposed after the year end and not recognised as a liability	—	87,400

### 13. Tangible assets

	Freehold land £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
At 1 January 2019	295,824	392,025	192,194	18,539	571,823	1,470,405
Additions	—	3,700	—	—	61,155	64,855
Disposals	—	—	—	—	(53,333)	(53,333)
<b>At 31 December 2019</b>	<b>295,824</b>	<b>395,725</b>	<b>192,194</b>	<b>18,539</b>	<b>579,645</b>	<b>1,481,927</b>
<b>Depreciation</b>						
At 1 January 2019	—	207,024	157,480	13,121	390,836	768,461
Charge for the year	—	39,282	4,444	3,708	107,742	155,176
Disposals	—	—	—	—	(53,333)	(53,333)
<b>At 31 December 2019</b>	<b>—</b>	<b>246,306</b>	<b>161,924</b>	<b>16,829</b>	<b>445,245</b>	<b>870,304</b>
<b>Carrying amount</b>						
<b>At 31 December 2019</b>	<b>295,824</b>	<b>149,419</b>	<b>30,270</b>	<b>1,710</b>	<b>134,400</b>	<b>611,623</b>
At 31 December 2018	295,824	185,001	34,714	5,418	180,987	701,944

#### Capital commitments

	2019 £	2018 £
Contracted for but not provided for in the financial statements	184,763	184,763

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

### 14. Stocks

	2019 £	2018 £
Raw materials and consumables	100,742	118,357
Work in progress	194,594	47,333
	<u>295,336</u>	<u>165,690</u>

There is no significant difference between the replacement cost of the stock and its carrying amount.

The amount of stock recognised as an expense in cost of sales during the year was £6,262,017 (2018: £3,415,725).

### 15. Debtors

	2019 £	2018 £
Trade debtors	781,230	329,088
Amounts owed by group undertakings	322,589	-
Prepayments and accrued income	397,567	274,929
Amounts recoverable on contracts	2,979,453	2,634,603
Other debtors	168,969	-
	<u>4,649,808</u>	<u>3,238,620</u>

### 16. Cash at bank and in hand

Included within the cash at bank and in hand balance is £1,025,801 (2018: £692,471) which is not available for use by the company until the terms of the related contract have been met.

### 17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	3,351,736	2,146,661
Amounts owed to group undertakings	5,931	15,433
Accruals and deferred income	2,729,621	2,089,449
Corporation tax	84,405	127,342
Social security and other taxes	103,742	169,548
	<u>6,275,435</u>	<u>4,548,433</u>

### 18. Provisions

	Deferred tax (note 19) £
At 1 January 2019	59,193
Charge against provision	(9,172)
At 31 December 2019	<u>50,021</u>

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

Year ended 31 December 2019

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### 19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019 £	2018 £
Included in provisions (note 18)	<u>50,021</u>	<u>59,193</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019 £	2018 £
Accelerated capital allowances	51,618	60,055
Deferred tax - other timing differences	<u>(1,597)</u>	<u>(862)</u>
	<u>50,021</u>	<u>59,193</u>

### 20. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £83,260 (2018: £80,309).

### 21. Financial instruments

#### Risks

Exposure to liquidity, credit and interest risks arises in the normal course of the company's business. These risks are limited by the company's financial management policies and practices described below:

#### Liquidity risk

The company manages its liquidity to ensure that sufficient funds are available for ongoing operations and future developments whilst seeking to minimise interest expense.

#### Credit risk

The company's principal financial assets are cash balances and trade debtors. Credit risk on cash balances is limited as the Board only deposits funds with regulated institutions which have high credit ratings. Trade debtor balances are monitored on an ongoing basis and provision is made for doubtful debts as necessary.

#### Interest rate risk

The company is exposed to interest rate risk on its cash balances. The Board monitors interest rates available for the company's funds taking into account the company's liquidity and credit risk requirements. The Company does not use any derivative instruments to reduce its economic exposure to changes in interest rates.

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

### Year ended 31 December 2019

#### 22. Called up share capital

##### Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

#### 23. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

#### 24. Analysis of changes in net debt

	At 1 January 2019	Cash flows	At 31 December 2019
	£	£	£
Cash at bank and in hand	<u>2,986,598</u>	<u>732,390</u>	<u>3,718,988</u>

#### 25. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	158,828	154,495
Later than 1 year and not later than 5 years	455,750	570,245
Later than 5 years	—	35,000
	<u>614,578</u>	<u>759,740</u>

#### 26. Contingencies

The company is part of the Architectural Glazing Limited VAT group and as such has a responsibility for the liabilities of Architectural Glazing Limited and fellow subsidiaries Multifab Limited and Eagle New Energy Limited. At the balance sheet date, the total creditor balance for other group companies amounted to £13,376 (2018: £Nil).

# English Architectural Glazing Limited

## Notes to the financial statements *(continued)*

**Year ended 31 December 2019**

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### **27. Events after the end of the reporting period**

Since 31 December 2019, the Covid-19 crisis has had an unprecedented impact on the environment in which the company operates. The effects have been far reaching and as yet are not fully defined. The trade of English Architectural Glazing Limited is sensitive to economic and political uncertainty, and the wider world economy.

While it is presently difficult to accurately predict when and how the current pandemic will be resolved, the directors have been keeping the situation under constant review and developing and refining the company's response as new information becomes available.

The key areas of focus and concern have been the implementation of social distancing on the construction sites at which the business operates, and between employees at the trading premises. This has resulted in all staff who are able to, working from home throughout this period, with the IT infrastructure of the business enhanced to facilitate this. In addition, a robust programme of revised risk assessments and method statements has been implemented at each construction site to ensure social distancing and safe working. Safe site operating procedures have also been agreed at each construction site between the company, the relevant main contractor, subcontractors and other trades. The supply chain has also been reviewed, and, where necessary, sources of supply switched away from any business temporarily closed to those still operating.

The result of these initiatives is that the impact of coronavirus has to a large extent been mitigated, with the company continuing to operate at levels close to those achieved pre pandemic.

### **28. Related party transactions**

The company has taken advantage of the exemption available under section 33 of FRS102 not to disclose related party transactions concerning wholly owned group companies, on the basis that its results are consolidated in the financial statements of its parent company.

### **29. Controlling party**

The parent company is Architectural Glazing Limited, which is incorporated in England. The registered office of Architectural Glazing Limited is Chiswick Avenue, Mildenhall, Suffolk, United Kingdom, IP28 7AY.

Consolidated financial statements are prepared by Architectural Glazing Limited and are filed with Companies House.

The ultimate holding entity is Elaghmore GP LLP, which is incorporated in England.