

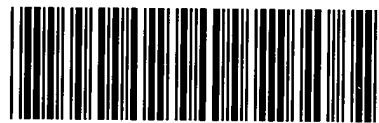
Venture Building Plastics Limited

Strategic report, directors' report and
financial statements

Registered number 04456068

For the year ended 31 December 2014

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Strategic report

Principal activities

The principal activity of the company is the supply of plastic building products.

Business review

Turnover of £3,098,738 was generated in the year ended 31 December 2014 (2013: £3,193,241) from the supply of plastic building products. Market conditions continue to be challenging, and the gross margin percentage was 26% in the period compared to 27% in the prior period.

On 31 December 2014 the trade, assets and liabilities of the Company were transferred to Specialist Building Distribution Limited, a fellow subsidiary of Epwin Group Plc (formerly Epwin Group Limited), at book value.

Key Performance Indicators ("KPIs")

The directors of Epwin Group Plc (formerly Epwin Group Limited) manage the group's operations on a divisional basis. For this reason, the company's directors believe that using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the company's business.

Principal risks and uncertainties

The main business risks and uncertainties faced by the company relate to competition from both national and local suppliers of plastic building products and the general state of the plastic building products market.

On behalf of the board



C A Empson
Director

1B Stratford Court
Cranmore Boulevard
Solihull
B90 4QT

31 July 2015

Directors' report

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

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Directors

The directors who held office during the period and up to the date of the financial statements are shown below:

J A Bednall
C A Empson (appointed 25 June 2014)
G R Peplow (resigned 8 January 2014)
A J Rawson (resigned 23 July 2014)
D J Challinor (resigned 23 July 2014)

By order of the board



C A Empson
Director

31 July 2015

1B Stratford Court
Cranmore Boulevard
Solihull
B90 4QT

Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Venture Building Plastics Limited

We have audited the financial statements of Venture Building Plastics Limited for the year ended 31 December 2014 set out on pages 6 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the 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 company's affairs as at 31 December 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Venture Building Plastics Limited *(continued)*

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 period for which the financial statements are prepared is consistent with the financial statements

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.



Michael Froom (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

31 July 2015

Profit and loss account
for the year ended 31 December 2014

		Year ended 31 December 2014	Year ended 31 December 2013
	<i>Note</i>	£	£
Turnover	2	3,098,738	3,193,241
Cost of sales		(2,290,652)	(2,338,096)
Gross profit		808,086	855,145
Administrative expenses		(862,083)	(1,036,140)
Operating loss		(53,997)	(180,995)
Interest receivable and similar income		-	-
Interest payable and similar charges		(7,487)	-
Loss on ordinary activities before taxation	3	(61,484)	(180,995)
Tax on (loss) / profit on ordinary activities	6	8,241	5,000
Loss for the financial year		(53,243)	(175,995)

All amounts relate to continuing activities.

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historic cost basis.

There are no recognised gains or losses other than the loss for the year.

The notes on pages 9 to 17 form part of these financial statements.

Balance sheet
at 31 December 2014

	<i>Note</i>	31 December		31 December	
		2014	2014	2013	2013
		£	£	£	£
Fixed assets					
Tangible assets	7		-		19,306
Current assets					
Stocks (finished goods)		-		273,198	
Debtors	8	399,689		447,813	
Cash at bank and in hand		-		-	
Creditors: amounts falling due within one year	9	399,689 (125,265)		721,011 (407,942)	
Net current assets			274,424		313,069
Total assets less current liabilities			274,424		332,375
Creditors: amounts falling due after more than one year	10		-		(1,708)
Provisions for liabilities	11		-		(3,000)
Net assets			274,424		327,667
Capital and reserves					
Called-up equity share capital	13		100		100
Profit and loss account	14		274,324		327,567
Shareholder's funds			274,424		327,667

These financial statements were approved by the directors and authorised for issue on 31 July 2015 and are signed on their behalf by:



C A Empson
Director

Company registered number: 04456068

The notes on pages 9 to 17 form part of these financial statements.

Reconciliation of movements in shareholder's funds
for the year ended 31 December 2014

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Opening shareholder's funds	327,667	503,662
Loss for the financial year	(53,243)	(175,995)
Closing shareholder's funds	<u>274,424</u>	<u>327,667</u>

Notes

(forming part of the financial statements)

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under FRS (Revised) 1 the company is exempt from the requirement to produce a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Going concern

The company's business activities together with the factors likely to affect its future development, performance and position are set out in the business review on page 1.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Revenue recognition

Turnover represents the value of goods and services supplied by the company net of value added tax.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their useful economic lives as follows:

Fixtures & Fittings	- 15% reducing balance per annum
Motor Vehicles	- 25% reducing balance per annum
Office equipment	- 20% reducing balance per annum

Stocks

Stocks are valued at the lower of cost and net realisable value. The cost of finished goods and work in progress comprises direct materials, direct labour, direct expenses and attributable production overheads incurred in bringing stock to its present location and condition.

Leases and hire purchase agreements

Assets acquired under finance leases and hire purchase agreements are capitalised and the outstanding future lease obligations are shown in creditors. The interest element of the rental obligations are charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of the balance of capital repayments outstanding.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes *(continued)*

1 ACCOUNTING POLICIES *(continued)*

Related party transactions

The company has taken advantage of the exemptions provided by FRS8 'Related Party Disclosures' and has not disclosed transactions with group companies, as it and the other parties are wholly owned subsidiaries of a parent publishing consolidated financial statements.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred (or accelerated) because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2 TURNOVER

Turnover represents the value of goods and services supplied by the company net of value added tax.

All turnover and operating profit derive from the main activity of the company and from continuing operations. All turnover originates from the United Kingdom. All turnover is by UK destination.

Notes (continued)

3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Directors' remuneration	-	59,605
Depreciation and other amounts written off tangible fixed assets:		
- owned	8,782	1,823
- leased	11,940	8,521
	<u>11,940</u>	<u>8,521</u>

The auditor's remuneration in current and prior year was paid by another Group company.

4 STAFF NUMBERS AND COSTS

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
Executive management	-	1
Production and distribution	15	20
Marketing and administration	8	3
	<u>23</u>	<u>24</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Wages and salaries	485,744	465,340
Social security costs	40,437	42,144
Other pension costs	2,681	512
	<u>528,862</u>	<u>507,996</u>

Notes (continued)

5 REMUNERATION OF DIRECTORS

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Directors' emoluments	-	59,545
Company contributions to money purchase pension schemes	-	60
	<hr/>	<hr/>
	-	59,605
	<hr/>	<hr/>

No directors received any remuneration for their services during the period. The remuneration cost were borne by other group companies.

6 TAXATION

Analysis of the credit in the year

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
<i>UK corporation tax</i>		
Current tax on loss for the period	(4,741)	-
<i>Deferred tax</i>		
Origination/reversal of timing differences (note 11)	(3,500)	(5,000)
	<hr/>	<hr/>
Tax on loss on ordinary activities	(8,241)	(5,000)
	<hr/>	<hr/>

Notes (continued)

6 TAXATION (continued)

Factors affecting tax change for the current period (tax reconciliation)

Tax credit on loss on ordinary activities for the period is lower (2013: lower) than the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%). The difference is explained below:

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
<i>Current tax reconciliation:</i>		
Loss on ordinary activities before tax	(61,484)	(180,995)
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	(13,219)	(42,081)
<i>Effects of:</i>		
Depreciation in excess of capital allowances	4,017	4,000
Group relief, not paid for	9,202	-
Adjustment to tax in respect of prior years	(4,741)	
Tax losses not recognised	-	38,081
	<hr/>	<hr/>
Total current tax	(4,741)	-
	<hr/>	<hr/>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes (continued)

7 TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Motor Vehicles	Office Equipment	Total
	£	£	£	£
<i>Cost</i>				
At 1 January 2014	18,933	49,295	12,471	80,699
Disposals	-	(1,100)	-	(1,100)
Additions	-	11,321	-	11,321
Disposal of business	(18,933)	(59,516)	(12,471)	(90,920)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 January 2014	13,633	37,355	10,405	61,393
Charge for the period	5,300	13,356	2,066	20,722
Disposals	-	(1,100)	-	(1,100)
Disposals of business	(18,933)	(49,611)	(12,471)	(81,015)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2014	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	5,300	11,940	2,066	19,306
	<hr/>	<hr/>	<hr/>	<hr/>

8 DEBTORS

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Trade debtors	-	399,330
Other debtors & prepayments	-	48,483
Amounts from Group undertakings	399,189	-
Deferred tax (note 11)	500	-
	<hr/>	<hr/>
	399,689	447,813
	<hr/>	<hr/>

Notes *(continued)*

9 CREDITORS: amounts falling due within one year

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Bank loans and overdraft	125,265	148,963
Obligations under finance leases and hire purchase contracts	-	8,203
Trade creditors	-	106,588
Taxation and social security	-	22,186
Accruals and deferred income	-	73,026
Amounts owed to group undertakings	-	48,976
	<hr/>	<hr/>
	125,265	407,942
	<hr/>	<hr/>

10 CREDITORS: amounts falling due after more than one year

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Obligations under finance leases and hire purchase contracts	-	1,708
	<hr/>	<hr/>

Notes (continued)

11 DEFERRED TAXATION

The movement in the deferred taxation provision during the period was:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Provision brought forward	3,000	8,000
Credit in the profit and loss account	(3,500)	(5,000)
Transfer to fellow subsidiary	500	-
	<hr/>	<hr/>
Provision carried forward	-	3,000
	<hr/>	<hr/>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Excess of taxation allowances over depreciation on fixed assets	-	3,000
	<hr/>	<hr/>

12 ANNUAL COMMITMENTS UNDER NON-CANCELLABLE OPERATING LEASES

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Operating leases which expire:		
Within 1 year	-	8,905
Between 2 to 5 years	-	67,356
	<hr/>	<hr/>
	-	76,261
	<hr/>	<hr/>

Notes (continued)

13 CALLED UP SHARE CAPITAL

Authorised:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid:

	No	Year ended 31 December 2014 £	No	Year ended 31 December 2013 £
100 Ordinary shares of £1 each	100	100	100	100

14 RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss £	Total £
At 1 January 2014	100	327,567	327,667
Loss for the year	-	(53,243)	(53,243)
At 31 December 2014	100	274,324	274,424

15 CONTINGENT LIABILITIES

The Company is party to the Group's cross guarantee banking arrangements in respect of the Group's term loan, which was £nil (2013: £8,440,000) at the balance sheet date, the Group's revolving credit facility, which was £nil (2013: £10,000,000) at the balance sheet date and the Group's overdraft facility, which was unutilised at the balance sheet date.

16 ULTIMATE HOLDING AND CONTROLLING COMPANY

The company was a subsidiary undertaking of Epwin Group Plc (formerly Epwin Group Limited), which is the ultimate parent company.

The largest group in which the results of the company are consolidated is that headed by Epwin Group Plc (formerly Epwin Group Limited), incorporated in Great Britain. No other group financial statements include the results of the company. The consolidated financial statements of Epwin Group Plc (formerly Epwin Group Limited) are available to the public and may be obtained from 1B Stratford Court, Cranmore Boulevard, Solihull, B90 4QT.

On 24 July 2014 the ultimate parent company, Epwin Group Plc (formerly Epwin Group Limited), was admitted to trading on AIM, a market operated by the London Stock Exchange.