

Ayrshire Aluminium Co. Limited

Report and Financial Statements

Year Ended

30 June 2013

Company Number SC075647

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Ayrshire Aluminium Co. Limited

Report and financial statements for the year ended 30 June 2013

Contents

Page:

1	Report of the directors
3	Independent auditor's report
5	Consolidated profit and loss account
6	Consolidated note of historical cost profits and losses
7	Consolidated balance sheet
9	Company balance sheet
10	Consolidated cash flow statement
11	Notes forming part of the financial statements

Directors

A J Crabb
M S Yareltt
R McKnight

Secretary and registered office

R McKnight, Block 2, Bonnyton Industrial Estate, Munro Place, Kilmarnock, KA1 2NP

Company number

SC075647

Auditors

BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX

Bankers

Bank of Scotland, 30/34 King Street, Kilmarnock, Ayrshire, KA1 1NP

Solicitors

Mackintosh and Wylie, 23 The Foregate, Kilmarnock, Ayrshire, KA1 1LE

Ayrshire Aluminium Co. Limited

Report of the directors for the year ended 30 June 2013

The directors present their report together with the audited financial statements for the year ended 30 June 2013.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

Interim dividends of £2.04 (2012: £2.04) per share were paid to ordinary shareholders during the year.

Principal activities, review of business and future developments

The group's principal activity is the supply and installation of upvc Double Glazing products to the domestic, trade, commercial and new build markets together with the planning and erection of domestic conservatories and the supply and fitting of roofline products.

The directors are pleased with the growth in both turnover and profitability of the group and expect to see this continue into 2014.

Financial risks and uncertainties

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against strict contractual agreements.

The trading company utilises its bank facility as part of its management of working capital. As a direct result of monitoring cash flows the company ensures it always remains within the agreed facility level. Forecasts and projections are reviewed regularly, and sensitivity analysis performed to ensure that the company can continue to operate within its current facility.

During July 2010 a £250,000 cash injection was received by the group in the form of unsecured borrowings from shareholders. This additional working capital funding is anticipated to be long term and has no scheduled date for repayment.

Directors' Indemnity Insurance

The directors have been indemnified by the company in respect of any costs incurred by them in defending any proceedings brought against them arising out of their positions as directors of the company.

Directors

The directors of the company during the year were:

A J Crabb
M S Yarlett
R McKnight

Ayrshire Aluminium Co. Limited

Report of the directors for the year ended 30 June 2013 (*continued*)

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP, are deemed to be re-appointed in accordance with section 487 of the Companies Act 2006.

In preparing this directors' report advantage has been taken of the small companies' exemption.

By order of the board



Robert McKnight
Secretary

21 March 2014

Ayrshire Aluminium Co. Limited

Independent auditor's report

To the members of Ayrshire Aluminium Co. Limited

We have audited the financial statements of Ayrshire Aluminium Co. Limited for the year ended 30 June 2013 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the consolidated note of historical cost profits and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Ayrshire Aluminium Co. Limited

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

BDO LLP

Andrew McNamara (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Glasgow
United Kingdom

21 March 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Ayrshire Aluminium Co. Limited

Consolidated profit and loss account for the year ended 30 June 2013

	Note	2013 £	2012 £
Turnover	2	9,915,237	9,300,658
Cost of sales		7,988,528	7,498,601
		<hr/>	<hr/>
Gross profit		1,926,709	1,802,057
Distribution costs		623,405	678,752
Administrative expenses		932,949	903,670
		<hr/>	<hr/>
Group operating profit	3	370,355	219,635
Interest receivable		-	30
Interest payable	6	(20,020)	(23,638)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		350,335	196,027
Taxation on profit on ordinary activities	7	85,411	54,909
		<hr/>	<hr/>
Profit on ordinary activities after taxation		264,924	141,118
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated note of historical cost profits and losses for the year ended 30 June 2013

	2013 £	2012 £
Consolidated note of historical cost profits and losses		
Reported profit on ordinary activities before taxation	350,335	196,027
Difference between actual and historical cost depreciation charge	8,062	8,062
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	358,397	204,089
	<hr/>	<hr/>
Historical cost profit for the year after taxation	272,986	149,180
	<hr/>	<hr/>

The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated balance sheet at 30 June 2013

Company number SC075647	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	10		611,759		640,116
Current assets					
Stocks	12	470,155		405,745	
Debtors	13	2,247,573		1,969,139	
Cash at bank and in hand		818		424	
		<u>2,718,546</u>		<u>2,375,308</u>	
Creditors: amounts falling due within one year	14	<u>1,761,735</u>		<u>1,666,771</u>	
Net current assets			<u>956,811</u>		<u>708,537</u>
Total assets less current liabilities			<u>1,568,570</u>		<u>1,348,653</u>
Creditors: amounts falling due after more than one year	15	254,828		250,000	
Provisions for liabilities	16	<u>26,451</u>		<u>26,286</u>	
			<u>281,279</u>		<u>276,286</u>
			<u>1,287,291</u>		<u>1,072,367</u>
Capital and reserves					
Called up share capital	18		24,501		24,501
Revaluation reserve	19		259,577		267,639
Capital redemption reserve	19		25,499		25,499
Profit and loss account	19		977,714		754,728
Shareholders' funds	20		<u>1,287,291</u>		<u>1,072,367</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated balance sheet
at 30 June 2013 (*continued*)

The financial statements were approved by the board of directors and authorised for issue on 21 March 2014.

A J Crabb
Director



M S Yarett
Director



The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Company balance sheet at 30 June 2013

<i>Company number SC075647</i>	<i>Note</i>	<i>2013 £</i>	<i>2013 £</i>	<i>2012 £</i>	<i>2012 £</i>
Fixed assets					
Tangible assets	10		1		1
Fixed asset investments	11		306,115		306,115
			<u>306,116</u>		<u>306,116</u>
Current assets					
Debtors	13	67,245		42,758	
Cash at bank and in hand		-		279	
		<u>67,245</u>		<u>43,037</u>	
Creditors: amounts falling due within one year	14	<u>43,001</u>		<u>3,582</u>	
Net current assets			<u>24,244</u>		<u>39,455</u>
Total assets less current liabilities			<u>330,360</u>		<u>345,571</u>
Capital and reserves					
Called up share capital	18		24,501		24,501
Capital redemption reserve	19		25,499		25,499
Profit and loss account	19		280,360		295,571
Shareholders' funds	20		<u>330,360</u>		<u>345,571</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21 March 2014.

A J Crabb
Director



M S Yarlett
Director



The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated cashflow statement for the year ended 30 June 2013

	Note	2013 £	2013 £	2012 £	2012 £
Net cash inflow from operating activities	24		91,580		41,930
Returns on Investments and servicing of finance					
Interest received		-		30	
Interest paid: bank loans		(4,134)		(4,297)	
Interest paid: other loans		(15,464)		(15,000)	
Interest paid: hire purchase		(422)		(4,341)	
Net cash outflow from returns on Investments and servicing of finance			(20,020)		(23,608)
Taxation					
Corporation tax paid			(75,421)		(97,315)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(32,551)		(20,092)	
Receipts from sale of tangible fixed assets		-		21,804	
Net cash (outflow)/inflow from capital expenditure and financial investment			(32,551)		1,712
Dividends paid			(50,000)		(50,036)
Cash outflow before use of financing			(86,412)		(127,317)
Financing					
Capital element of finance leases repaid			(7,907)		(33,678)
Decrease in cash	25		(94,319)		(160,995)

The notes on pages 11 to 25 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements for the year ended 30 June 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements incorporate the results of Ayrshire Aluminium Co. Limited and all of its subsidiary undertakings as at 30 June 2013 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

Goodwill

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life which is 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom. Turnover is recognised when the risks and rewards of owning the goods have passed to the customer.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for freehold land, over their expected useful lives. It is calculated at the following rates:

Buildings	- 2% straight line
Leasehold property improvements	- over the length of the lease
Plant and machinery	- 20% reducing balance and 5 to 10 years straight line
Motor vehicles	- 25% straight line
Office equipment	- 15% reducing balance and 4 years straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost consists of purchase invoice costs and, where appropriate, attributable overheads. Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct materials, labour and attributable overheads. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Long-term contracts are assessed on a contract by contract basis and are reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Where the outcome of each long-term contract can be assessed with reasonable certainty before its conclusion, the attributable profit is recognised in the profit and loss account as the difference between the reported turnover and related costs for that contract.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

1 Accounting policies (continued)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

Contributions to the group's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Guarantees and warranties

Provision is made for the expected cost of maintenance under guarantees and warranties.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

2 Turnover

Turnover is wholly attributable to the principal activity of the group and arises solely within the United Kingdom.

3 Operating profit

	2013 £	2012 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	74,278	85,246
Profit on disposal of tangible fixed assets	-	(12,873)
Fees payable to the company's auditor for the auditing of the company's annual accounts	10,250	9,822
Rent of property- operating leases	77,177	75,248

Auditors remuneration for the company was £1,500 (2012 - £1,500).

4 Employees

Staff costs (including directors) consist of:

	Group 2013 £	Group 2012 £
Wages and salaries	1,683,694	1,416,249
Social security costs	151,191	133,633
Other pension costs	56,443	52,603
	<u>1,891,328</u>	<u>1,602,485</u>

The average number of employees (including directors) during the year was as follows:

	Group 2013 Number	Group 2012 Number
Management and administration	28	25
Production, installation and sales	71	61
	<u>99</u>	<u>86</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

5 Directors' remuneration

	2013 £	2012 £
Directors' emoluments	126,354	102,613
Company contributions to money purchase pension schemes	40,080	40,080

6 Interest payable

	2013 £	2012 £
Bank loans and overdrafts	4,134	4,297
Hire purchase contracts	422	4,341
Other loans	15,000	15,000
Interest on corporation tax	464	-
	<u>20,020</u>	<u>23,638</u>

7 Taxation on profit on ordinary activities

	2013 £	2012 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	85,246	51,993
Adjustment in respect of previous periods	-	3,859
	<u>85,246</u>	<u>55,852</u>
Total current tax		
<i>Deferred tax</i>		
Origination and reversal of timing differences	165	(943)
	<u>85,411</u>	<u>54,909</u>
Taxation on profit on ordinary activities		

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

7 Taxation on profit on ordinary activities (continued)

The tax assessed for the year differs from the relevant rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	350,335	196,027
Profit on ordinary activities at the relevant rate of corporation tax in the UK of 23.75% (2012 - 25.50%)	83,205	49,987
Effect of:		
Expenses not deductible for tax purposes	655	376
Depreciation for period in excess of capital allowances	2,654	5,035
Marginal relief	(508)	(2,417)
Adjustment to prior year	-	3,859
Rate variance within the group	(760)	(988)
Current tax charge for the year	85,246	55,852

8 Dividends

	2013 £	2012 £
Ordinary shares		
Interim paid of £2.04 (2012 - £2.04) per share	50,000	50,036

9 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group profit for the year includes a profit after tax of £34,789 (2012 - £12,377) which is dealt with in the financial statements of the parent company.

Ayrshire Aluminium Co. Limited

Note forming part of the financial statements
for the year ended 30 June 2013 (continued)

10 Tangible fixed assets

Group

	Freehold land and buildings £	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<i>Cost or valuation</i>						
At 1 July 2012	455,000	51,962	653,261	54,160	66,759	1,281,142
Additions	3,908	801	18,447	-	22,765	45,921
Disposals	-	-	(72,608)	-	-	(72,608)
At 30 June 2013	458,908	52,763	599,100	54,160	89,524	1,254,455
<i>Depreciation</i>						
At 1 July 2012	14,545	50,895	486,098	41,594	47,894	641,026
Provided for the year	15,328	1,079	43,561	8,374	5,936	74,278
Disposals	-	-	(72,608)	-	-	(72,608)
At 30 June 2013	29,873	51,974	457,051	49,968	53,830	642,696
<i>Net book value</i>						
At 30 June 2013	429,035	789	142,049	4,192	35,694	611,759
At 30 June 2012	440,455	1,067	167,163	12,566	18,865	640,116

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

10 Tangible fixed assets (continued)

Company

	Office equipment £
<i>Cost</i>	
At 1 July 2012 and 30 June 2013	182
<i>Depreciation</i>	
At 1 July 2012 and 30 June 2013	181
<i>Net book value</i>	
At 30 June 2012 and 30 June 2013	1

The group's land and buildings were subject to a full revaluation in November 2011 by Ian Woods BSc MRICS, DM Hall LLP, Chartered Surveyors on the basis of existing use. The directors are of the opinion there has been no material change in valuation of property since that date.

The historical cost of land and buildings is:

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
<i>Cost</i>	305,934	302,026	-	-
<i>Accumulated depreciation based on historical cost</i>	136,475	129,210	-	-
<i>Historical cost net book value</i>	169,459	172,816	-	-

The net book value of, and depreciation charge for the year on, tangible fixed assets includes assets held under hire purchase contracts as follows:

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
<i>Net book value</i>				
Plant and machinery	13,370	-	-	-
Motor vehicles	-	12,566	-	-
<i>Depreciation charged</i>				
Plant and machinery	1,485	-	-	-
Motor vehicles	-	8,374	-	-

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

11 Fixed asset investments

Company

	Group undertakings £
Cost	
At 1 July 2012 and 30 June 2013	306,115

Subsidiary undertakings

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
Subsidiary undertakings			
Scotia Double Glazing Limited	Scotland	100%	Manufacture and installation of double glazing products

12 Stocks

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Raw materials and consumables	266,473	251,259	-	-
Work in progress	203,682	154,486	-	-
	<u>470,155</u>	<u>405,745</u>	<u>-</u>	<u>-</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

13 Debtors

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Trade debtors	1,514,950	1,479,966	-	-
Amounts owed by group undertakings	-	-	67,245	42,758
Other debtors	58,373	60,169	-	-
Prepayments and accrued income	24,523	145,781	-	-
Amounts recoverable on contracts	649,727	283,223	-	-
	<u>2,247,573</u>	<u>1,969,139</u>	<u>67,245</u>	<u>42,758</u>

All amounts shown under debtors fall due for payment within one year.

14 Creditors: amounts falling due within one year

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Bank loans and overdrafts (secured)	138,819	44,106	8,329	-
Payments received on account	57,908	135,289	-	-
Trade creditors	1,231,798	1,240,145	-	-
Corporation tax	85,246	75,421	8,697	3,582
Other taxation and social security	54,518	56,211	-	-
Obligations under hire purchase contracts	4,457	3,822	-	-
Other creditors	94,214	22,950	-	-
Accruals and deferred income	94,775	88,827	25,975	-
	<u>1,761,735</u>	<u>1,666,771</u>	<u>43,001</u>	<u>3,582</u>

The bank overdraft is secured by bond and floating charge over all of the company assets and by a standard security over the premises at 449 Clarkston Road, Glasgow and Factory Block 2, Bonnyton Industrial Estate, Kilmarnock.

Hire purchase liabilities are secured over the assets being financed.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

15 Creditors: amounts falling due after more than one year

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Other loans	250,000	250,000	-	-
Obligations under hire purchase contracts	4,828	-	-	-
	<u>254,828</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
 Maturity of debt:				
	Loans and overdrafts 2013 £	Loans and overdrafts 2012 £	Hire purchase 2013 £	Hire purchase 2012 £
In one year or less, or on demand	<u>138,819</u>	<u>44,106</u>	<u>4,457</u>	<u>3,822</u>
 In more than one year but not more than two years	250,000	250,000	4,457	-
In more than two years but not more than five years	-	-	371	-
	<u>250,000</u>	<u>250,000</u>	<u>4,828</u>	<u>-</u>

Hire purchase liabilities are secured over the assets being financed.

Other loans are unsecured with no fixed repayment date but cannot be repaid before August 2014.

16 Provisions for liabilities

Group

	Deferred taxation £
At 1 July 2012	26,286
Utilised in year	<u>165</u>
At 30 June 2013	<u>26,451</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

16 Provisions for liabilities (continued)

Deferred taxation

	Group and company 2013 £	Group and company 2012 £
Accelerated capital allowances	26,451	26,345
Sundry timing differences	-	(59)
	<u>26,451</u>	<u>26,286</u>

17 Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge amounted to £56,443 (2012 - £52,603). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

18 Share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
24,501 Ordinary shares of £1 each	<u>24,501</u>	<u>24,501</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

19 Reserves

Group

	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £
At 1 July 2012	267,639	25,499	754,728
Profit for the year	-	-	264,924
Dividends	-	-	(50,000)
Revaluation release	(8,062)	-	8,062
	<u>269,577</u>	<u>25,499</u>	<u>1,017,714</u>
At 30 June 2013	<u>259,577</u>	<u>25,499</u>	<u>977,714</u>

Company

	Capital redemption reserve £	Profit and loss account £
At 1 July 2012	25,499	295,571
Profit for the year	-	34,789
Dividends	-	(50,000)
	<u>25,499</u>	<u>280,360</u>
At 30 June 2013	<u>25,499</u>	<u>280,360</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

20 Reconciliation of movements in shareholders' funds

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Profit for the year	264,924	141,118	34,789	12,377
Dividends	(50,000)	(50,036)	(50,000)	(50,036)
Net additions to/(deductions from) shareholders' funds	214,924	91,082	(15,211)	(37,659)
Opening shareholders' funds	1,072,367	981,285	345,571	383,230
Closing shareholders' funds	1,287,291	1,072,367	330,360	345,571

21 Contingent liabilities

The bank borrowings are secured by means of a bond and floating charge, over all assets of the group. Ayrshire Aluminium Co. Limited has given a guarantee and letter of offset in respect of the bank borrowings of Scotia Double Glazing Limited. As at 30 June 2013, these amounted to £130,490 (2012 - £44,106).

22 Commitments under operating leases

The group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2013 £	Land and buildings 2012 £
Operating leases which expire:		
Within one year	7,647	59,748
In two to five years	69,500	-
	77,147	59,748

The company has no operating lease commitments.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

23 Related party disclosures

Controlling parties

The directors consider M S Yarlett to be in ultimate control of the company.

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with its wholly owned subsidiaries.

Related party transactions and balances - group

	Sales to related party £	Purchases from related parties £	Amounts owed by related parties £	Amounts owed to related parties £	£
Related party					
2013					
Yorkshire Window Co Limited	26,934	(19,493)	32,321	188,533	-
M S Yarlett	-	-	-	67,000	-
A J Crabb	-	-	-	33,000	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
2012					
Yorkshire Window Co Limited	-	58,018	-	262,640	-
M S Yarlett	-	-	-	69,801	-
A J Crabb	-	-	-	34,380	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Yorkshire Window Co. Limited is controlled by MS Yarlett who is a director in Ayrshire Aluminium Co. Limited.

Other loan interest of £15,000 has been charged this year in respect of the £250,000 loan from related parties (2012: £15,000) and is reflected in the balances shown above.

M S Yarlett received dividends amounting to £30,460 and A J Crabb received dividends of £19,540 by virtue of their ordinary shareholdings in Ayrshire Aluminium Co. Limited.

24 Reconciliation of operating profit to net cash inflow from operating activities

	2013 £	2012 £
Operating profit	370,355	219,635
Depreciation of tangible fixed assets	74,278	85,246
Profit on sale of tangible fixed assets	-	(12,873)
(Increase)/decrease in stocks	(64,410)	48,897
Increase in debtors	(278,434)	(536,049)
(Decrease)/increase in creditors	(10,209)	237,074
	<hr/>	<hr/>
Net cash inflow from operating activities	91,580	41,930
	<hr/>	<hr/>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2013 (continued)

25 Reconciliation of net cash flow to movement in net debt

	2013 £	2012 £
Decrease in cash	(94,319)	(160,995)
Cash inflow from changes in debt	7,907	72,303
Movement in net debt resulting from cash flows	(86,412)	(88,692)
Inception of finance leases	(13,370)	(38,625)
Movement in net debt	(99,782)	(127,317)
Opening net debt	(297,504)	(170,187)
Closing net debt	(397,286)	(297,504)

26 Analysis of net debt

	At 1 July 2012 £	Cash flow £	Other non- cash items £	At 30 June 2013 £
Cash at bank and in hand	424	394	-	818
Bank overdrafts	(44,106)	(94,713)	-	(138,819)
		(94,319)		
Debt due after one year	(250,000)	-	-	(250,000)
Finance leases	(3,822)	7,907	(13,370)	(9,285)
		7,907		
Total	(297,504)	(86,412)	(13,370)	(397,286)