

Ayrshire Aluminium Co. Limited

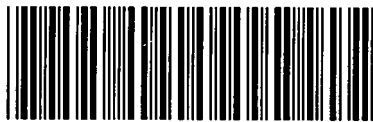
Report and Financial Statements

Year Ended

30 June 2014

Company Number SC075647

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Ayrshire Aluminium Co. Limited

Report and financial statements for the year ended 30 June 2014

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Directors

A J Crabb
M S Yarlett
R McKnight
S R Cousins

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

Strategic report for the year ended 30 June 2014

The directors present their strategic report together with the audited financial statements for the year ended 30 June 2014.

Review of business

Despite exiting the conservatory market late last year with the resultant drop in revenue of £800k the group managed to increase its turnover in the new build sector and we completed the year with an increase in the overall revenue of 0.6% on last year, which in turn saw pre-tax profits grow to their most successful level of £665k.

With the new build market showing increased signs of buoyancy, the forecasts for the next three years are showing reasonably modest growth of 4% year on year.

Margins will have to be carefully monitored as will cost per frame and frame per week per man. Depending on the production requirement, it may be necessary to introduce a night shift in the fabrication and glazing factories in line with the shift patterns currently operating in the cutting and prepping factory.

By order of the board

A handwritten signature in black ink, appearing to be 'R McKnight', written over a horizontal line.

**R McKnight
Secretary**

25 September 2014

Ayrshire Aluminium Co. Limited

Report of the directors for the year ended 30 June 2014

The directors present their report together with the audited financial statements for the year ended 30 June 2014.

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year.

Interim dividends of £2.86 (2013: £2.04) per share were paid to ordinary shareholders during the year.

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
S R Cousins

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the 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.

Ayrshire Aluminium Co. Limited

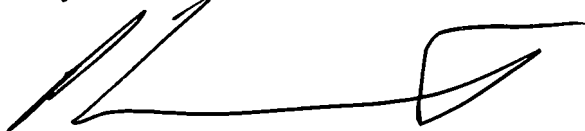
Report of the directors for the year ended 30 June 2014 (*continued*)

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.

By order of the board

A handwritten signature in black ink, appearing to be 'R McKnight', written over a horizontal line.

**R McKnight
Secretary**

25 September 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 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses, 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 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

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*

25 September 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 2014

	Note	2014 £	2013 £
Turnover	2	9,975,072	9,915,237
Cost of sales		<u>7,766,818</u>	<u>7,988,528</u>
Gross profit		2,208,254	1,926,709
Distribution costs		525,385	623,405
Administrative expenses		<u>1,070,963</u>	<u>932,949</u>
Group operating profit	3	611,906	370,355
Interest receivable		183	-
Interest payable	6	<u>(12,779)</u>	<u>(20,020)</u>
Profit on ordinary activities before taxation		599,310	350,335
Taxation on profit on ordinary activities	7	<u>135,846</u>	<u>85,411</u>
Profit on ordinary activities after taxation		<u>463,464</u>	<u>264,924</u>

All amounts relate to continuing activities.

The notes on pages 11 to 26 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated statement of total recognised gains and losses and consolidated note of historical cost profits and losses for the year ended 30 June 2014

	Note	2014 £	2013 £
Consolidated statement of total recognised gains and losses			
Profit for the financial year		463,464	264,924
Unrealised surplus on revaluation of properties		106,292	-
		<hr/>	<hr/>
Total recognised gains and losses for the financial year		569,756	264,924
		<hr/>	<hr/>
Consolidated note of historical cost profits and losses			
		2014 £	2013 £
Reported profit on ordinary activities before taxation		599,310	350,335
Difference between actual and historical cost depreciation charge		8,062	8,062
		<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation		607,372	358,397
		<hr/>	<hr/>
Historical cost profit for the year after taxation		471,526	272,986
		<hr/>	<hr/>


The notes on pages 11 to 26 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated balance sheet at 30 June 2014

Company number SC075647	Note	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Tangible assets	10		682,341		611,759
Current assets					
Stocks	12	526,780		470,155	
Debtors	13	1,960,459		2,247,573	
Cash at bank and in hand		36		818	
		<u>2,487,275</u>		<u>2,718,546</u>	
Creditors: amounts falling due within one year	14	<u>1,350,966</u>		<u>1,761,735</u>	
Net current assets			<u>1,136,309</u>		<u>956,811</u>
Total assets less current liabilities			<u>1,818,650</u>		<u>1,568,570</u>
Creditors: amounts falling due after more than one year	15	9,061		254,828	
Provisions for liabilities	16	<u>22,542</u>		<u>26,451</u>	
			<u>31,603</u>		<u>281,279</u>
			<u>1,787,047</u>		<u>1,287,291</u>
Capital and reserves					
Called up share capital	18		24,501		24,501
Revaluation reserve	19		357,807		259,577
Capital redemption reserve	19		25,499		25,499
Profit and loss account	19		1,379,240		977,714
Shareholders' funds	20		<u>1,787,047</u>		<u>1,287,291</u>

The financial statements were approved by the board of directors and authorised for issue on 25 September 2014.


A J Crabbe
Director


M S Yarlett
Director

The notes on pages 11 to 26 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Company balance sheet at 30 June 2014

Company number SC075647	Note	2014 £	2014 £	2013 £	2013 £
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	24,450		67,245	
Creditors: amounts falling due within one year	14	<u>67,443</u>		<u>43,001</u>	
Net current (liabilities)/assets			<u>(42,993)</u>		<u>24,244</u>
Total assets less current liabilities			<u>263,123</u>		<u>330,360</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		213,123		280,360
Shareholders' funds	20		<u>263,123</u>		<u>330,360</u>

The financial statements were approved by the board of directors and authorised for issue on 25 September 2014.



A J Crabb
Director



M S Yarlett
Director

The notes on pages 11 to 26 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Consolidated cashflow statement for the year ended 30 June 2014

	Note	2014 £	2014 £	2013 £	2013 £
Net cash inflow from operating activities	24		405,148		91,580
Returns on investments and servicing of finance					
Interest received		183		-	
Interest paid: bank loans		(3,105)		(4,134)	
Interest paid: other loans		(8,465)		(15,464)	
Interest paid: hire purchase		(1,209)		(422)	
Net cash outflow from returns on investments and servicing of finance			(12,596)		(20,020)
Taxation					
Corporation tax paid			(85,246)		(75,421)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(7,396)		(32,551)	
Receipts from sale of tangible fixed assets		4,050		-	
Net cash outflow from capital expenditure and financial investment			(3,346)		(32,551)
Dividends paid			(70,000)		(50,000)
Cash inflow/(outflow) before use of financing			233,960		(86,412)
Financing					
Loans repaid		(250,000)		-	
Capital element of finance leases repaid		(19,512)		(7,907)	
Net cash outflow from financing			(269,512)		(7,907)
Decrease in cash	25		(35,552)		(94,319)

The notes on pages 11 to 26 form part of these financial statements.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements for the year ended 30 June 2014

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and are in accordance with applicable accounting standards.

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 2014 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 2014 (*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.

Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

2 Turnover

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

3 Operating profit

	2014 £	2013 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	75,211	74,278
Profit on disposal of tangible fixed assets	(4,050)	-
Fees payable to the group's auditor for the auditing of the group's annual accounts	10,250	10,250
Rent of property - operating leases	75,748	77,177
	<u> </u>	<u> </u>

Auditors remuneration for the company was £1,500 (2013 - £1,500).

4 Employees

Staff costs (including directors) consist of:

	Group 2014 £	Group 2013 £
Wages and salaries	1,894,230	1,683,694
Social security costs	167,193	151,191
Other pension costs	70,076	56,443
	<u> </u>	<u> </u>
	2,131,499	1,891,328
	<u> </u>	<u> </u>

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

	Group 2014 Number	Group 2013 Number
Management and administration	26	28
Production, installation and sales	76	71
	<u> </u>	<u> </u>
	102	99
	<u> </u>	<u> </u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

5 Directors' remuneration

	2014 £	2013 £
Directors' emoluments	150,387	126,354
Company contributions to money purchase pension schemes	57,120	40,080
	<u> </u>	<u> </u>

6 Interest payable

	2014 £	2013 £
Bank loans and overdrafts	3,105	4,134
Hire purchase contracts	1,209	422
Other loans	8,465	15,000
Interest on corporation tax	-	464
	<u> </u>	<u> </u>
	12,779	20,020
	<u> </u>	<u> </u>

7 Taxation on profit on ordinary activities

	2014 £	2013 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	139,694	85,246
Adjustment in respect of previous periods	61	-
	<u> </u>	<u> </u>
Total current tax	139,755	85,246
	<u> </u>	<u> </u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(1,393)	165
Adjustment in respect of previous periods	(2,516)	-
	<u> </u>	<u> </u>
Movement in deferred tax provision	(3,909)	165
	<u> </u>	<u> </u>
Taxation on profit on ordinary activities	135,846	85,411
	<u> </u>	<u> </u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements for the year ended 30 June 2014 (*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:

	2014 £	2013 £
Profit on ordinary activities before tax	599,310	350,335
Profit on ordinary activities at the relevant rate of corporation tax in the UK of 22.75% (2013 - 23.75%)	136,498	83,205
Effect of:		
Expenses not deductible for tax purposes	1,102	655
Depreciation for period in excess of capital allowances	4,117	2,654
Marginal relief	-	(508)
Adjustment to prior year	61	-
Rate variance within the group	(1,981)	(760)
Other deductions	(42)	-
Current tax charge for the year	139,755	85,246

8 Dividends

	2014 £	2013 £
Ordinary shares		
Interim paid of £2.86 (2013 - £2.04) per share	70,000	50,000

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 £2,763 (2013 - £34,789) 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 2014 (*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 2013	458,908	52,763	599,100	54,160	89,524	1,254,455
Additions	-	5,460	25,865	-	8,176	39,501
Disposals	-	-	-	(14,750)	-	(14,750)
Revaluations	61,092	-	-	-	-	61,092
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2014	520,000	58,223	624,965	39,410	97,700	1,340,298
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>						
At 1 July 2013	29,873	51,974	457,051	49,968	53,830	642,696
Provided for the year	15,327	1,520	43,810	4,192	10,362	75,211
Disposals	-	-	-	(14,750)	-	(14,750)
Revaluations	(45,200)	-	-	-	-	(45,200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2014	-	53,494	500,861	39,410	64,192	657,957
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Ayrshire Aluminium Co. Limited

Note forming part of the financial statements
for the year ended 30 June 2014 *(continued)*

10 Tangible fixed assets *(continued)*

Group *(continued)*

	Freehold land and buildings £	Leasehold property improvement s £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<i>Net book value</i>						
At 30 June 2014	520,000	4,729	124,104	-	33,508	682,341
	<u>520,000</u>	<u>4,729</u>	<u>124,104</u>	<u>-</u>	<u>33,508</u>	<u>682,341</u>
At 30 June 2013	429,035	789	142,049	4,192	35,694	611,759
	<u>429,035</u>	<u>789</u>	<u>142,049</u>	<u>4,192</u>	<u>35,694</u>	<u>611,759</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

10 Tangible fixed assets (*continued*)

Company

	Office equipment £
<i>Cost</i>	
At 1 July 2013 and 30 June 2014	182
<i>Depreciation</i>	
At 1 July 2013 and 30 June 2014	181
<i>Net book value</i>	
At 30 June 2013 and 30 June 2014	1

The group's land and buildings were subject to a full revaluation in August 2014 by Ian Woods BSc MRICS, DM Hall LLP, Chartered Surveyors on the basis of existing use. The valuation surplus of £106,292 arising has been incorporated in the financial statements as at 30 June 2014.

The historical cost of land and buildings is:

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Cost	305,934	305,934	-	-
Accumulated depreciation based on historical cost	143,741	136,476	-	-
Historical cost net book value	162,193	169,458	-	-

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 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
<i>Net book value</i>				
Plant and machinery	34,409	13,370	-	-
<i>Depreciation charged</i>				
Plant and machinery	3,390	1,485	-	-

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

11 Fixed asset investments

Company

	Group undertakings £
<i>Cost</i>	
At 1 July 2013 and 30 June 2014	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
<i>Subsidiary undertakings</i>			
Scotia Double Glazing Limited	Scotland	100	% Manufacture and installation of double glazing products

12 Stocks

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Raw materials and consumables	303,395	266,473	-	-
Work in progress	223,385	203,682	-	-
	<u>526,780</u>	<u>470,155</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 2014 (*continued*)

13 Debtors

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Trade debtors	1,255,464	1,514,950	-	-
Amounts owed by group undertakings	-	-	24,450	67,245
Other debtors	59,437	58,373	-	-
Prepayments and accrued income	16,038	24,523	-	-
Amounts recoverable on contracts	629,520	649,727	-	-
	<u>1,960,459</u>	<u>2,247,573</u>	<u>24,450</u>	<u>67,245</u>

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

14 Creditors: amounts falling due within one year

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Bank loans and overdrafts (secured)	173,589	138,819	632	8,329
Payments received on account	57,228	57,908	-	-
Trade creditors	689,346	1,231,798	-	-
Corporation tax	139,755	85,246	691	8,697
Other taxation and social security	55,519	54,518	-	-
Obligations under hire purchase contracts	12,817	4,457	-	-
Other creditors	88,714	94,214	-	-
Accruals and deferred income	133,998	94,775	66,120	25,975
	<u>1,350,966</u>	<u>1,761,735</u>	<u>67,443</u>	<u>43,001</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 2014 (*continued*)

15 Creditors: amounts falling due after more than one year

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Other loans	-	250,000	-	-
Obligations under hire purchase contracts	9,061	4,828	-	-
	<u>9,061</u>	<u>254,828</u>	<u>-</u>	<u>-</u>
Maturity of debt:				
	Loans and overdrafts 2014 £	Loans and overdrafts 2013 £	Hire purchase 2014 £	Hire purchase 2013 £
In one year or less, or on demand	<u>173,589</u>	<u>138,819</u>	<u>12,817</u>	<u>4,457</u>
In more than one year but not more than two years	-	250,000	8,200	4,457
In more than two years but not more than five years	-	-	861	371
	<u>-</u>	<u>250,000</u>	<u>9,061</u>	<u>4,828</u>

Hire purchase liabilities are secured over the assets being financed.

16 Provisions for liabilities

Group

	Deferred taxation £
At 1 July 2013	26,451
Utilised in year	(3,909)
	<u>22,542</u>
At 30 June 2014	<u>22,542</u>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

16 Provisions for liabilities (*continued*)

Deferred taxation

	Group and company 2014 £	Group and company 2013 £
Accelerated capital allowances	22,555	26,451
Other deductions	(13)	-
	<u>22,542</u>	<u>26,451</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 £70,076 (2013 - £56,443). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

18 Share capital

	2014 £	2013 £
<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 2014 (*continued*)

19 Reserves

Group

	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £
At 1 July 2013	259,577	25,499	977,714
Profit for the year	-	-	463,464
Dividends	-	-	(70,000)
Revaluation in the year	106,292	-	-
Revaluation release	(8,062)	-	8,062
	<hr/>	<hr/>	<hr/>
At 30 June 2014	357,807	25,499	1,379,240
	<hr/>	<hr/>	<hr/>

Company

	Capital redemption reserve £	Profit and loss account £
At 1 July 2013	25,499	280,360
Profit for the year	-	2,763
Dividends	-	(70,000)
	<hr/>	<hr/>
At 30 June 2014	25,499	213,123
	<hr/>	<hr/>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (continued)

20 Reconciliation of movements in shareholders' funds

	Group 2014 £	Group 2013 £	Company 2014 £	Company 2013 £
Profit for the year	463,464	264,924	2,763	34,789
Dividends	(70,000)	(50,000)	(70,000)	(50,000)
	<u>393,464</u>	<u>214,924</u>	<u>(67,237)</u>	<u>(15,211)</u>
Unrealised gain on revaluation of freehold land and buildings	106,292	-	-	-
	<u>499,756</u>	<u>214,924</u>	<u>(67,237)</u>	<u>(15,211)</u>
Net additions to/(deductions from) shareholders' funds	499,756	214,924	(67,237)	(15,211)
Opening shareholders' funds	<u>1,287,291</u>	<u>1,072,367</u>	<u>330,360</u>	<u>345,571</u>
Closing shareholders' funds	<u><u>1,787,047</u></u>	<u><u>1,287,291</u></u>	<u><u>263,123</u></u>	<u><u>330,360</u></u>

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 2014 the outstanding balance was £172,957 (2013 - £130,490).

22 Commitments under operating leases

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

	Land and buildings 2014 £	Land and buildings 2013 £
Operating leases which expire:		
Within one year	7,748	7,647
In two to five years	67,600	69,500
	<u>75,348</u>	<u>77,147</u>

The company has no operating lease commitments.

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*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				
2014				
Yorkshire Window Co Limited	2,301	-	2,301	26,980
M S Yarlett	-	-	-	-
A J Crabb	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
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/>

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

Other loan interest of £8,465 (2013 - £15,000) has been charged during the year in respect of the loan from related parties. This loan was repaid during the year with no balance outstanding at 30 June 2014 (2013 - £250,000).

M S Yarlett received dividends amounting to £47,145 and A J Crabb received dividends of £22,855 by virtue of their ordinary shareholdings in Ayrshire Aluminium Co. Limited.

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

	2014 £	2013 £
Operating profit	611,906	370,355
Depreciation of tangible fixed assets	75,211	74,278
Profit on sale of tangible fixed assets	(4,050)	-
Increase in stocks	(56,625)	(64,410)
Decrease/(increase) in debtors	287,114	(278,434)
Decrease in creditors	(508,408)	(10,209)
	<hr/>	<hr/>
Net cash inflow from operating activities	405,148	91,580
	<hr/>	<hr/>

Ayrshire Aluminium Co. Limited

Notes forming part of the financial statements
for the year ended 30 June 2014 (*continued*)

25 Reconciliation of net cash flow to movement in net debt

	2014 £	2013 £
Decrease in cash	(35,552)	(94,319)
Cash inflow from changes in debt	269,512	7,907
Movement in net debt resulting from cash flows	233,960	(86,412)
Inception of finance leases	(32,105)	(13,370)
Movement in net debt	201,855	(99,782)
Opening net debt	(397,286)	(297,504)
Closing net debt	(195,431)	(397,286)

26 Analysis of net debt

	At 1 July 2013 £	Cash flow £	Other non-cash items £	At 30 June 2014 £
Cash at bank and in hand	818	(782)	-	36
Bank overdrafts	(138,819)	(34,770)	-	(173,589)
		(35,552)		
Debt due after one year	(250,000)	250,000	-	-
Finance leases	(9,285)	19,512	(32,105)	(21,878)
		269,512		
Total	(397,286)	233,960	(32,105)	(195,431)