

Report of the Directors and
Audited Financial Statements for the Year Ended 31 October 2012
for
Solar Windows limited



COMPANY REGISTERED NUMBER: 02678809 (England and Wales)

Solar Windows limited

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for the Year Ended 31 October 2012

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Solar Windows limited

Company Information
for the Year Ended 31 October 2012

DIRECTORS:

Mr C P Lewis
Mrs C Lewis

SECRETARY:

Mrs C Lewis

REGISTERED OFFICE:

Unit 15B
Bedwas House Industrial Estate
Bedwas
Caerphilly
CF83 8DW

REGISTERED NUMBER:

02678809 (England and Wales)

AUDITORS:

Neil Hodge & Co Limited
Chartered Accountants
and Statutory Auditors
106a Commercial Street
Risca
Gwent
NP11 6EE

Solar Windows limited

Report of the Directors
for the Year Ended 31 October 2012

The directors present their report with the financial statements of the company for the year ended 31 October 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of uPVC windows, doors and related products

REVIEW OF BUSINESS

The company continued to perform well during the year, maintaining its turnover and profitability
It continues to win good contracts, and future success is dependent on that being maintained
The company has a healthy order book

DIVIDENDS

The total dividends paid for the year were £190,000

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2011 to the date of this report

Mr C P Lewis

Mrs C Lewis

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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.

Solar Windows Limited

Report of the Directors
for the Year Ended 31 October 2012

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Neil Hodge & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'C P Lewis', is written over a light blue horizontal line.

Mr C P Lewis - Director

30 July 2013

Report of the Independent Auditors to the Members of
Solar Windows limited

We have audited the financial statements of Solar Windows limited for the year ended 31 October 2012 on pages six to fourteen. 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 a Report of the Auditors 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 set out on page two, 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

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Report of the Independent Auditors to the Members of
Solar Windows limited

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



Neil Hodge (Senior Statutory Auditor)
for and on behalf of Neil Hodge & Co Limited
Chartered Accountants
and Statutory Auditors
106a Commercial Street
Risca
Gwent
NP11 6EE

30 July 2013

Solar Windows limited

Profit and Loss Account
for the Year Ended 31 October 2012

	Notes	31 10 12 £	31 10 11 £
TURNOVER		10,235,712	10,592,176
Cost of sales		7,818,246	8,055,414
		<hr/>	<hr/>
GROSS PROFIT		2,417,466	2,536,762
Administrative expenses		1,078,565	995,039
		<hr/>	<hr/>
		1,338,901	1,541,723
Other operating income		41,684	20,817
		<hr/>	<hr/>
OPERATING PROFIT	3	1,380,585	1,562,540
Interest receivable and similar income		24,198	4,831
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,404,783	1,567,371
Tax on profit on ordinary activities	4	359,997	425,000
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		<u>1,044,786</u>	<u>1,142,371</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

Solar Windows limited

Balance Sheet

31 October 2012

	Notes	31 10 12 £	£	31 10 11 £	£
FIXED ASSETS					
Tangible assets	6		496,663		361,569
CURRENT ASSETS					
Stocks	7	716,404		751,870	
Debtors	8	1,594,930		1,605,916	
Cash at bank and in hand		<u>4,447,616</u>		<u>3,955,018</u>	
		6,758,950		6,312,804	
CREDITORS					
Amounts falling due within one year	9	<u>1,405,721</u>		<u>1,679,267</u>	
NET CURRENT ASSETS			5,353,229		4,633,537
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,849,892</u>		<u>4,995,106</u>
CAPITAL AND RESERVES					
Called up share capital	11		100		100
Profit and loss account	12		5,849,792		4,995,006
SHAREHOLDERS' FUNDS	16		<u>5,849,892</u>		<u>4,995,106</u>

The financial statements were approved by the Board of Directors on 30 July 2013 and were signed on its behalf by



Mr C P Lewis - Director

COMPANY REGISTERED NUMBER: 02678809 (England and Wales)

The notes form part of these financial statements

Solar Windows limited

Cash Flow Statement
for the Year Ended 31 October 2012

	Notes	31 10 12 £	31 10 11 £
Net cash inflow from operating activities	1	1,436,306	1,752,471
Returns on investments and servicing of finance	2	24,198	4,831
Taxation		(424,194)	(472,138)
Capital expenditure	2	(353,712)	(189,899)
Equity dividends paid		(190,000)	(145,003)
Increase in cash in the period		<u>492,598</u>	<u>950,262</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>492,598</u>	<u>950,262</u>
Change in net funds resulting from cash flows		<u>492,598</u>	<u>950,262</u>
Movement in net funds in the period		492,598	950,262
Net funds at 1 November		3,955,018	3,004,756
Net funds at 31 October		<u>4,447,616</u>	<u>3,955,018</u>

The notes form part of these financial statements

Solar Windows limited

Notes to the Cash Flow Statement
for the Year Ended 31 October 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 10 12	31 10 11
	£	£
Operating profit	1,380,585	1,562,540
Depreciation charges	217,068	184,035
Loss on disposal of fixed assets	1,550	687
Decrease/(increase) in stocks	35,466	(118,677)
Decrease in debtors	10,986	87,829
(Decrease)/increase in creditors	<u>(209,349)</u>	<u>36,057</u>
Net cash inflow from operating activities	<u>1,436,306</u>	<u>1,752,471</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 10 12	31 10 11
	£	£
Returns on investments and servicing of finance		
Interest received	<u>24,198</u>	<u>4,831</u>
Net cash inflow for returns on investments and servicing of finance	<u>24,198</u>	<u>4,831</u>
 Capital expenditure		
Purchase of tangible fixed assets	(358,880)	(291,014)
Sale of tangible fixed assets	<u>5,168</u>	<u>101,115</u>
Net cash outflow for capital expenditure	<u>(353,712)</u>	<u>(189,899)</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 11 11 £	Cash flow £	At 31 10 12 £
Net cash			
Cash at bank and in hand	<u>3,955,018</u>	<u>492,598</u>	<u>4,447,616</u>
	<u>3,955,018</u>	<u>492,598</u>	<u>4,447,616</u>
 Total	<u>3,955,018</u>	<u>492,598</u>	<u>4,447,616</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 October 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	31 10 12	31 10 11
	£	£
Wages and salaries	1,356,146	1,298,696
Other pension costs	-	100,000
	<u>1,356,146</u>	<u>1,398,696</u>

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	31 10 12	31 10 11
Production Staff	49	47
Office and Management	6	6
Administration staff	<u>9</u>	<u>9</u>
	<u>64</u>	<u>62</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	31 10 12	31 10 11
	£	£
Hire of plant and machinery	27,405	9,557
Other operating leases	166,521	157,599
Depreciation - owned assets	217,068	184,035
Loss on disposal of fixed assets	1,550	687
Auditors' remuneration	<u>5,000</u>	<u>6,500</u>
Directors' remuneration	15,033	14,789
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>100,000</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>2</u>	<u>2</u>
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4 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 10 12	31 10 11
	£	£
Current tax		
UK corporation tax	<u>359,997</u>	<u>425,000</u>
Tax on profit on ordinary activities	<u>359,997</u>	<u>425,000</u>

UK corporation tax has been charged at 24.80% (2011 - 26%)

Solar Windows limited

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

5 **DIVIDENDS**

	31 10 12 £	31 10 11 £
Ordinary shares of £1 each		
Interim	<u>190,000</u>	<u>145,000</u>

6 **TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 November 2011	56,388	1,839,408	144,572	211,623	2,251,991
Additions	-	190,235	-	168,645	358,880
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,701)</u>	<u>(61,701)</u>
At 31 October 2012	<u>56,388</u>	<u>2,029,643</u>	<u>144,572</u>	<u>318,567</u>	<u>2,549,170</u>
DEPRECIATION					
At 1 November 2011	55,574	1,572,835	123,905	138,108	1,890,422
Charge for year	408	141,446	9,117	66,097	217,068
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,983)</u>	<u>(54,983)</u>
At 31 October 2012	<u>55,982</u>	<u>1,714,281</u>	<u>133,022</u>	<u>149,222</u>	<u>2,052,507</u>
NET BOOK VALUE					
At 31 October 2012	<u>406</u>	<u>315,362</u>	<u>11,550</u>	<u>169,345</u>	<u>496,663</u>
At 31 October 2011	<u>814</u>	<u>266,573</u>	<u>20,667</u>	<u>73,515</u>	<u>361,569</u>

7 **STOCKS**

	31 10 12 £	31 10 11 £
Stocks	<u>716,404</u>	<u>751,870</u>

8 **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 10 12 £	31 10 11 £
Trade debtors	1,545,555	1,496,082
Other debtors	49,375	41,772
Prepayments and accrued income	<u>-</u>	<u>68,062</u>
	<u>1,594,930</u>	<u>1,605,916</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 10 12	31 10 11
	£	£
Trade creditors	598,847	811,099
Tax	360,304	424,501
Social security and other taxes	35,842	61,663
VAT	71,931	58,931
Other creditors	-	5,000
Accrued expenses	<u>338,797</u>	<u>318,073</u>
	<u>1,405,721</u>	<u>1,679,267</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid

	Land and buildings	
	31 10 12	31 10 11
	£	£
Within one year	101,500	101,500
Between one and five years	406,000	406,000
In more than five years	<u>569,000</u>	<u>670,500</u>
	<u>1,076,500</u>	<u>1,178,000</u>

11 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid		Nominal value	31 10 12	31 10 11
Number	Class		£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Solar Windows limited

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

12 **RESERVES**

	Profit and loss account £
At 1 November 2011	4,995,006
Profit for the year	1,044,786
Dividends	<u>(190,000)</u>
At 31 October 2012	<u>5,849,792</u>

13 **CAPITAL COMMITMENTS**

	31 10 12 £	31 10 11 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>140,000</u>

14 **RELATED PARTY DISCLOSURES**

The company rents its premises from the company's pension scheme
The Directors have a majority shareholding in Interframe (South West) Limited, a company incorporated in the UK
At the year end that company owes Solar Windows £115,011 (2011 £160,472)

During the year the company purchased windows from Interframe to the value of £175,167 (2011 £79,909), and £9,326 (2011 £34,224) was still owing to Interframe at the year end. The windows were purchased on arms length terms.

15 **ULTIMATE CONTROLLING PARTY**

The company is controlled by Mr Carl Lewis, who owns 51 of the 100 shares
Mrs C Lewis owns 49 shares

16 **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 10 12 £	31 10 11 £
Profit for the financial year	1,044,786	1,142,371
Dividends	<u>(190,000)</u>	<u>(145,000)</u>
Net addition to shareholders' funds	854,786	997,371
Opening shareholders' funds	<u>4,995,106</u>	<u>3,997,735</u>
Closing shareholders' funds	<u>5,849,892</u>	<u>4,995,106</u>