Registered number: 01370175

MOBILE WINDSCREENS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

MOBILE WINDSCREENS LIMITED

CONTENTS

MOBILE WINDSCREENS LIMITED

COMPANY INFORMATION

Directors	GW Douglas PA Douglas PT Lomas MA Hubschmid MJ Bennett NC Coetsee
Company secretary	PA Douglas
Registered number	01370175
Registered office	St Philips Road St Philips Bristol BS2 0JZ
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 2 Glass Wharf Temple Quay Bristol BS2 0FR
Bankers	HSBC Bank plc 2 Cannon Street Bedminster Bristol BS3 1BQ

MOBILE WINDSCREENS LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present the Strategic Report of Mobile Windscreens Limited (the "company") for the year ended 31 March 2016.

Business review

The Board of Directors are pleased to report increased revenues and profits for the year. This has been delivered by providing value and excellence of service to our customers, via our network of branches within National Windscreens. The company continues to invest in training initiatives for all of our staff, and to improve service through further computer and developments and operational efficiencies. As a result, the Directors believe that the company is in a strong position to perform successfully into the future.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are maintaining the quality of service provided to its customers. The company manages the risk by supplying top quality products at competitive prices, fitted by experienced and fully trained staff. Customer Service is always of paramount importance.

Financial key performance indicators

The key performance indicators (KPIs) used by the company to monitor its performance are gross profit percentage and average turnover per employee.

	2016	2015
Gross profit percentage	**51.7%**	50.6%
Average number of employees	**359**	348
Turnover per employee (£'000)	**£89.9**	£82.4

This report was approved by the board on 20 December 2016 and signed on its behalf by:

GW Douglas
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their annual report and the audited financial statements for Mobile Windscreens Limited (the "company") for the year ended 31 March 2016.

Principal activity

The principal activity of the company is the sale and service of automotive glass and ancillary products. This activity continued throughout the year.

Results and dividends

The profit for the financial year amounted to £1,030,000 (2015: £187,000).

Dividends of £55,000 were paid during the year (2015: £55,000) equivalent to £5.50 per £1 share (2015: £5.50).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

GW Douglas
PA Douglas
PT Lomas
MA Hubschmid
MJ Bennett
NC Coetsee

Future developments

As a result of the strength of the business as discussed in the Strategic Report, the directors believe that the company is in an excellent position to continue to perform successfully into the future.

Financial instruments

The company's operations expose it to a variety of financial risks that include price risk, credit risk, liquidity risk, interest rate and cash flow risk.

The company regularly reviews its financial exposure and seeks to limit the adverse effects on its financial performance by monitoring levels of debt finance and related finance costs.

Price risk
The company is indirectly exposed to commodity price risk as a result of its glass purchases. The company manages this by agreeing fixed price contracts with its main glass suppliers. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk
The company's financial assets are bank balances, trade and other debtors. The company's credit risk is primarily attributable to its trade debtors which are presented in the balance sheet net of allowances for doubtful debts. The company has implemented practices where appropriate credit checks on customers are performed throughout the relationship. Where debt finance is used this is subject to approval by the board of directors.

Liquidity risk
The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations.

Interest rate and cash flow risk
The company has interest bearing liabilities on variable rates. The directors review interest rate and cash flow management on a regular basis.

Employee involvement

Consultation with employees or their representative has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole.

Disabled employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment for disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board on 20 December 2016 and signed on its behalf by:

George Douglas

GW Douglas
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOBILE WINDSCREENS LIMITED

Report on the financial statements

Our opinion

In our opinion Mobile Windscreens Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit and cash flows 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 March 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Cash Flow Statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Andrew Latham

Andrew Latham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

Date: 21 December 2016

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Turnover	4	**32,281**	28,680
Cost of sales		**(15,589)**	(14,161)
Gross profit		**16,692**	14,519
Distribution costs		**(11,708)**	(10,974)
Administrative expenses		**(3,764)**	(3,291)
Operating profit	5	**1,220**	254
Interest payable and similar charges	9	**(212)**	(209)
Other finance income		**28**	185
Profit on ordinary activities before taxation		**1,036**	230
Tax on profit on ordinary activities	11	**(6)**	(43)
Profit for the financial year		**1,030**	187
Other comprehensive expense for the year			
Actuarial gain/(loss) on defined benefit pension scheme		**250**	(875)
Movement of deferred tax relating to pension surplus		**-**	28
Non recognition of pension surplus		**(485)**	(598)
Other comprehensive expense for the year		**(235)**	(1,445)
Total comprehensive income/(expense) for the year		**795**	(1,258)

The notes on pages 12 to 29 form part of these financial statements.

MOBILE WINDSCREENS LIMITED
REGISTERED NUMBER:01370175

BALANCE SHEET
AS AT 31 MARCH 2016

	Note		2016 £000		2015 £000
Fixed assets					
Tangible assets	14		**2,373**		2,240
			2,373		2,240
Current assets					
Stocks	15	**1,830**		1,629	
Debtors	16	**5,900**		5,273	
Cash at bank and in hand	17	**3**		3	
		7,733		6,905	
Creditors: amounts falling due within one year	18	**(7,670)**		(7,378)	
Net current assets/(liabilities)			**63**		(473)
Total assets less current liabilities			**2,436**		1,767
Creditors: amounts falling due after more than one year	19		**(374)**		(294)
Provisions for liabilities					
Deferred tax	22		**(89)**		(240)
Net assets			**1,973**		1,233
Capital and reserves					
Called up share capital	23		**10**		10
Profit and loss account			**1,963**		1,223
Total shareholders' funds			**1,973**		1,233

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 December 2016 by:

GW Douglas

GW Douglas
Director

The notes on pages 12 to 29 form part of these financial statements.

MOBILE WINDSCREENS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 1 April 2015	10	1,223	1,233
Comprehensive income for the year			
Profit for the financial year	-	1,030	1,030
Actuarial gains on pension scheme, net of tax	-	250	250
Non recognition of pension surplus	-	(485)	(485)
Other comprehensive expense for the year	-	(235)	(235)
Total comprehensive income for the year	-	795	795
Contributions by and distributions to owners			
Dividends: Equity capital	-	(55)	(55)
Total transactions with owners	-	(55)	(55)
At 31 March 2016	10	1,963	1,973

FOR THE YEAR ENDED 31 MARCH 2015

	Called up share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 1 April 2014	10	2,536	2,546
Comprehensive income for the year			
Profit for the financial year	-	187	187
Actuarial gains on pension scheme, net of tax	-	(847)	(847)
Non recognition of pension surplus	-	(598)	(598)
Other comprehensive expense for the year	-	(1,445)	(1,445)
Total comprehensive expense for the year	-	(1,258)	(1,258)
Contributions by and distributions to owners			
Dividends: Equity capital	-	(55)	(55)
Total transactions with owners	-	(55)	(55)
At 31 March 2015	10	1,223	1,233

MOBILE WINDSCREENS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £000	2015 £000
Cash flows from operating activities		
Profit for the financial year	**1,030**	187
Adjustments for:		
Interest payable	**212**	209
Taxation charge	**6**	43
Amortisation of intangible assets	**-**	10
Depreciation of tangible assets	**472**	632
Loss on disposal of tangible assets	**5**	(8)
Increase in stocks	**(201)**	(50)
Increase in debtors	**(717)**	527
Increase in creditors	**556**	(156)
Increase in net pension assets/liabs	**(142)**	(404)
Corporation tax paid	**(1)**	(88)
Net cash generated from operating activities	**1,220**	902
Cash flows used in investing activities		
Purchase of tangible fixed assets	**(610)**	(100)
Sale of tangible fixed assets	**-**	77
Finance lease interest paid	**(51)**	(51)
Net cash used in investing activities	**(661)**	(74)
Cash flows used in financing activities		
New/(repayment of) finance leases	**32**	(620)
Dividends paid	**(55)**	(55)
Interest paid	**(161)**	(158)
Net cash used in financing activities	**(184)**	(833)
Net increase / (decrease) in cash and cash equivalents	**375**	(5)
Cash and cash equivalents at beginning of year	**(464)**	(459)
Cash and cash equivalents at the end of year	**(89)**	(464)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**3**	3
Bank overdrafts	**(92)**	(467)
	(89)	(464)

1. General information

Mobile Windscreens Limited (the "company") is a private company limited by shares and is incorporated in England. The address of the company's registered office is St Philips Road, Bristol, Avon, BS2 0JZ .

The principal activity of the company is the sale and service of automotive glass and ancillary products. This activity continued throughout the year.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 28.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents amounts invoiced by the company in respect of goods sold and services provided in the normal course of business net of VAT and trade discounts. All turnover is attributable to the replacement and repair of automotive glass and related services. Turnover is recognised at the point of completion of work. The company operates in the United Kingdom.

2.3 Intangible assets

Goodwill arising from the purchase of an operation's trade and assets is capitalised at cost and amortised to the Statement of Comprehensive Income over the period for which the value of the underlying business acquired is expected to exceed the value of its net assets. The goodwill amortisation rate is 10 years.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

2. Accounting policies (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold Property	- Over the period of the lease (being 5 to 10 years)
Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

2.5 Operating leases: Lessee

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

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2. Accounting policies (continued)

2.9 Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

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

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan

The company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

Whilst a surplus exists at the balance sheet date in respect of the defined benefit plan being the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled. This surplus is not recognised in accordance with FRS 102 as the ability of the company to get value for the surplus relies on decisions in the hands of the pension trustees.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:
a) the increase in net pension benefit liability arising from employee service during the period; and
b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'other finance income'.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may subsequently differ from these estimates. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates made are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Certain critical accounting judgements, adopted by management, in applying the company's accounting policies are described below:

Pensions:

In determining the valuation to apply to pension scheme liabilities, a number of assumptions over items such as life expectancy of pensions, returns on assets and an appropriate discount rate to apply to long term liabilities need to be undertaken. These assumptions have a direct bearing on the level of any assessed pension surplus or deficit. In considering appropriate assumptions to apply, the directors have regard to external benchmarks and relevant professional advice.

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £000	2015 £000
Sale of goods	**32,281**	28,680

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £000	2015 £000
Depreciation of tangible fixed assets	**596**	632
Amortisation of intangible assets	**-**	10
Other operating lease rentals	**592**	596
Impairment of stocks	**19**	1
Impairment of trade debtors	**94**	32

6. Auditors' remuneration

	2016 £000	2015 £000
Fees payable to the company's auditors for the audit of the company's annual financial statements	**23**	22
Fees payable to the company's auditors in respect of:		
Other services relating to taxation	**6**	6
All other services	**2**	8

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £000	2015 £000
Wages and salaries	**9,373**	8,543
Social security costs	**907**	824
Other pension costs	**343**	57
	10,623	9,424

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Distribution	**327**	316
Administration	**32**	32
	359	348

8. Directors' remuneration

	2016 £000	2015 £000
Aggregate directors' emoluments	**433**	360

The highest paid director received remuneration of £125,000 (2015: £146,000).

9. Interest payable and similar charges

	2016 £000	2015 £000
Bank interest payable	**161**	158
Finance leases and hire purchase contracts	**51**	51
	212	209

10. Other finance income

	2016 £000	2015 £000
Net interest on net defined benefit liability	**28**	185

11. Tax on profit on ordinary activities

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	**158**	-
Adjustments in respect of prior years	**(1)**	(90)
Total current tax	**157**	(90)
Deferred tax		
Origination and reversal of timing differences	**6**	131
Changes to tax rates	**(10)**	2
Adjustment in respect of previous periods	**(147)**	-
Total deferred tax	**(151)**	133
Tax on profit on ordinary activities	**6**	43

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20.0% (2015 - 21.0%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	**1,036**	230
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.0% (2015 - 21.0%)	**207**	48
Effects of:		
Expenses not deductible for tax purposes	**2**	2
Adjustment from previous periods	**(217)**	98
Pension surplus derecognition	**24**	-
Group relief	**-**	(90)
Tax rate changes	**(10)**	(15)
Total tax charge for the year	**6**	43

11. Tax on profit on ordinary activities (continued)

Factors that may affect future tax charges

The July 2015 Budget Statement announced changes (which were subsequently enacted) to the UK Corporation tax regime which will reduce the main rate of Corporation Tax to 19% from 1 April 2017 and 18% from 1 April 2020. A further change was announced in the March 2016 Budget to further reduce the Corporation Tax rate to 17% by 1 April 2020, which has yet to be substantively enacted.

Accordingly, deferred tax has been calculated using a tax rate of 18% - 19%, as applicable.

12. Dividends

	2016	2015
	£000	£000
Dividends paid equivalent to £5.50 per £1 share (2015: £5.50)	**55**	55

13. Intangible assets

	Goodwill
	£000
Cost	
At 1 April 2015	180
At 31 March 2016	180
Amortisation	
At 1 April 2015	180
At 31 March 2016	180
Net book value	
At 31 March 2016	-
At 31 March 2015	-

14. Tangible assets

	Leasehold Property	Plant and machinery	Motor vehicles	Total
	£000	£000	£000	£000
Cost or valuation				
At 1 April 2015	397	1,520	3,730	5,647
Additions	-	146	615	761
Disposals	-	-	(157)	(157)
At 31 March 2016	397	1,666	4,188	6,251
Depreciation				
At 1 April 2015	287	1,163	1,957	3,407
Charge for the year	21	94	480	595
Eliminated on disposal	-	-	(124)	(124)
At 31 March 2016	308	1,257	2,313	3,878
Net book value				
At 31 March 2016	89	409	1,875	2,373
At 31 March 2015	110	357	1,773	2,240

14. Tangible assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £000	2015 £000
Plant and machinery	**35**	47
Motor vehicles	**1,189**	1,271
	1,224	1,318

15. Stocks

	2016 £000	2015 £000
Finished goods and goods for resale	**1,830**	1,629

Stocks are stated after provision for impairment of £223,000 (2015 - £204,000).

16. Debtors

	2016 £000	2015 £000
Trade debtors	**5,291**	4,665
Other debtors	**149**	188
Prepayments and accrued income	**460**	330
Corporation tax repayable	**-**	90
	5,900	5,273

Trade debtors are stated after provision for impairment of £313,000 (2015 - £348,000).

17. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	**3**	3
Less: bank overdrafts	**(92)**	(467)
	(89)	(464)

18. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Bank overdrafts	**92**	467
Trade creditors	**3,825**	3,548
Corporation tax	**159**	-
Other taxation and social security	**961**	822
Obligations under finance lease and hire purchase contracts	**469**	517
Other creditors	**15**	13
Accruals and deferred income	**1,449**	1,311
Other loans	**700**	700
	7,670	7,378

The bank overdraft is repayable on demand and is secured by fixed and floating charges over the assets of the company.

The other loan is repayable on demand and is unsecured.

19. Creditors: Amounts falling due after more than one year

	2016 £000	2015 £000
Net obligations under finance leases and hire purchase contracts	**374**	294

20. Hire purchase & finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £000	2015 £000
Within one year	**469**	517
Between one and five years	**374**	294
	843	811

21. Financial instruments

	2016 £000	2015 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**5,440**	4,853
Financial liabilities		
Financial liabilities measured at amortised cost	**(6,922)**	(6,333)

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial Liabilities measured at amortised cost comprise overdrafts, trade creditors, obligations under finance lease and hire purchase contracts, other creditors, accrual and other loans.

22. Deferred taxation

	Deferred tax £000
At 1 April 2015	**(240)**
Charged to the Statement of Comprehensive Income	**151**
At 31 March 2016	**(89)**

The provision for deferred taxation is made up as follows:

	2016 £000	2015 £000
Accelerated capital allowances	**(90)**	(240)
Short term timing differences	**1**	-
	(89)	(240)

23. Called up share capital

	2016 £000	2015 £000
Allotted, called up and fully paid		
10,000 (2015 - 10,000) Ordinary shares of £1 (2015 - £1) each	**10**	10

24. Pension commitments

The company operates a Defined Benefit Pension Scheme.

The expected return on plan assets is a blended average of projected long-term returns for the various asset classes. Equity returns are developed based on the selection of an equity risk premium above the risk free rate, which is measured by reference to the yield on government bonds. Corporate bond returns are determined by reference to the long-term yields available on high quality sterling corporate debt, measured by reference to an excess over the yield on government bonds.

	2016
	£000
Reconciliation of present value of plan liabilities	
At the beginning of the year	**9,597**
Current service cost	**231**
Interest cost	**326**
Actuarial gains	**(660)**
Contributions	**41**
Benefits paid	**(75)**
At the end of the year	**9,460**

	2016
	£000
Reconciliation of present value of plan assets:	
At the beginning of the year	**10,195**
Interest income	**354**
Actuarial losses	**(411)**
Contributions by the employer	**562**
Benefits paid	**(75)**
Contributions by the employees	**41**
Administration expenses	**(123)**
At the end of the year	**10,543**

Composition of plan assets:

	2016	2015
	£000	£000
Equities	**7,380**	7,137
Bonds	**3,163**	3,058
Total plan assets	**10,543**	10,195

24. Pension commitments (continued)

	2016 £000	2015 £000
Fair value of plan assets	**10,543**	10,195
Present value of plan liabilities	**(9,460)**	(9,597)
Derecognition of pension surplus	**(1,083)**	(598)
Net pension scheme surplus / (liability)	**-**	-

The amounts recognised in profit or loss are as follows:

	2016 £000	2015 £000
Current service cost	**(231)**	(174)
Interest on obligation	**28**	185
Administration expenses	**(123)**	(150)
Total	**(326)**	(139)

Actual return on scheme assets	**(57)**	1,194

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2016 %	2015 %
Discount rate	**3.65**	3.40
Future salary increases	**3.35**	3.35
Pension increases, pension earned from April 1997 to April 2005	**3.00**	3.10
Pension increases, post April 2005 pension	**2.20**	2.50
Inflation assumption	**2.10**	2.10
Mortality rates		
- for a male aged 65 now	**22.7**	22.7
- at 65 for a male aged 45 now	**24.5**	24.4
- for a female aged 65 now	**25.1**	25.0
- at 65 for a female member aged 45 now	**27.0**	26.9

25. Commitments under operating leases

At 31 March, the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £000	2015 £000
Not later than 1 year	**495**	538
Later than 1 year and not later than 5 years	**921**	952
Later than 5 years	**163**	319
Total	**1,579**	1,809

26. Related party transactions

During the year the following transactions took place between the company and GW Douglas, a director and shareholder of the company.

	2016 £000	2015 £000
Interest due on the loan	**28**	27
Rent paid by the company	**12**	12
	40	39

The amount outstanding on the loan from GW Douglas at 31 March 2016 was £700,000 (2015: £700,000) and is shown as other loans in note 19.

During the year the following transactions took place between the company and PA Douglas.

	2016 £000	2015 £000
Rent paid by the company	**37**	37

During the year the following transactions took place between the company and the Mobile Windscreens Limited Small Self Administered Pension Scheme, which is a related party on the grounds that GW Douglas is the sole beneficiary.

	2016 £000	2015 £000
Rent paid by the company	**165**	165

27. Controlling party

GW Douglas is the controlling party by virtue of his controlling interest in the company's equity share capital.

28. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. There were no adjustments to the company balance sheet at 1 April 2014 or for the company profit and loss account for the year ended 31 March 2015 on transition to FRS 102. There were two adjustments to the balance sheet as at 31 March 2015 however to derecognise the pension surplus of £598,000 as under guidance in FRS 102 defined benefit surpluses can only be recognised in relatively restrictive circumstances which do not apply in this instance and to reduce the associated deferred tax liability in relation to pension contributions by £120,000.

The Group's cash flow statement reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition the cash flow statement reconciles to cash and cash equivalents whereas under previous UK GAAP the cash flow statement reconciled to cash. Cash and cash equivalents are defined in FRS 102 as 'cash on hand and demand deposits and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value' whereas cash is defined in FRS 1 as 'cash in hand and deposits repayable on demand with any qualifying institution, less overdrafts from any qualifying institution repayable on demand'. The FRS 1 definition is more restrictive.