

BUDGET WINDOWS LIMITED

Company No: 2058629

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004



BUDGET WINDOWS LIMITED

COMPANY INFORMATION

DIRECTORS:

Mr A J Percy
Mr B Gregson-Williams

SECRETARY:

Mr C J Percy

REGISTERED OFFICE:

25 Sandridge Road
St Albans
Herts
AL1 4AE

BANKERS:

National Westminster Bank plc
PO Box 490
84 Watling Street
Radlett
Herts
WD7 7HG

ACCOUNTANTS:

Fenlon & Co
25 Sandridge Road
St Albans
Herts
AL1 4AE

BUDGET WINDOWS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and financial statements for the year ended 31st December 2004.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company throughout the year was that of window installers. The company also builds conservatories.

The results for the year and the financial position at the year-end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

RESULTS AND DIVIDEND

The results of the company for the year are set out on Page 3.

DIRECTORS AND THEIR INTERESTS

	<u>Ordinary Shares of £1 Each</u>	
	<u>31/12/04</u>	<u>01/01/04</u>
Mr A J Percy	40	40
Mr B Gregson-Williams	10	10

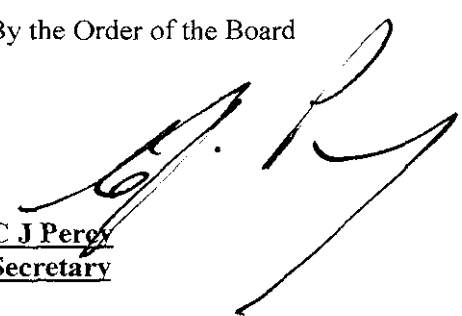
CASHFLOW STATEMENT

In the opinion of the directors the company qualifies as a small company and as such no cashflow statement has been prepared.

EXEMPTION STATEMENT

The directors have decided to take advantage of the provisions of Section 249A(1) of the Companies Act 1985 and therefore an audit has not been carried out for the year under review.

By the Order of the Board


C J Percy
Secretary

Dated: 23rd August 2005

BUDGET WINDOWS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for each financial year, which 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 those financial accounts, we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which discloses with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD

BUDGET WINDOWS LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>TURNOVER</u>	2	342,946	416,043
Cost of Sales		(194,486)	(249,168)
<u>GROSS PROFIT</u>		148,460	166,875
Administrative Expenses		(144,972)	(160,472)
<u>OPERATING PROFIT</u>	3	3,488	6,403
Interest Payable	4	(524)	(529)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		2,964	5,874
Taxation	5	-	287
<u>PROFIT AFTER TAXATION</u>		2,964	6,161
<u>DIVIDENDS</u>	6	-	(3,600)
<u>RETAINED PROFIT TRANSFERRED TO RESERVES</u>		2,964	2,561

All amounts relate to continuing activities.

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

The notes on pages 5 to 9 form part of these accounts

BUDGET WINDOWS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Fixed Assets	8	16,435	16,324
<u>CURRENT ASSETS</u>			
Stock & Work in Progress	9	13,635	9,978
Debtors	10	7,116	40,120
Cash at Bank and on hand		<u>11,080</u>	<u>12,186</u>
		31,831	62,284
<u>CREDITORS: Amounts falling due within one year</u>	11	<u>(29,872)</u>	<u>(59,259)</u>
<u>NET CURRENT ASSETS</u>		<u>1,959</u>	<u>3,025</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>18,394</u>	<u>19,349</u>
<u>CREDITORS: Amounts falling due after more than one year</u>	12	<u>(5,569)</u>	<u>(9,488)</u>
		<u>12,825</u>	<u>9,861</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	13	100	100
Profit and Loss Account		<u>12,725</u>	<u>9,761</u>
<u>Shareholders' Funds</u>	14	<u>12,825</u>	<u>9,861</u>

The Directors confirm that:-

- (a) for the year in question the company was entitled to exemption under Section 249A(1) of the Companies Act 1985
- (b) no notice has been deposited under Section 249B(2) in relation to its accounts for the financial year and
- (c) they acknowledge their responsibilities for :-
 - (i) ensuring that the company keeps accounting records which comply with Section 221, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226,

and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Approved by the Board

Dated: 23rd August 2005

Mr A J Percy

Mr B Gregson-Williams



Directors

The notes on pages 5-9 form part of these accounts

BUDGET WINDOWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

1. PRINCIPAL ACCOUNTING POLICIES

Accounting Basis and Standards

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

Turnover

Turnover represents the invoiced value of goods sold and services provided net of Value Added Tax.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of each asset over its expected useful life as follows:

Fixtures and equipment	-	20% Reducing Balance
Motor Vehicles	-	25% Reducing Balance

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs, incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

Deferred Taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS 19 – Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

Pension Scheme Arrangements

The company operates a pension scheme for the benefit of employees. The company makes contributions to a defined contribution scheme, the assets of the scheme being held separately from the assets of the company. The pension cost charge represents contribution payable to the scheme in accordance with SSAP 24.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of the rental obligations is charged to the Profit and Loss Account over the period of the lease (and represents a constant proportion of the balance of capital repayments outstanding). Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

BUDGET WINDOWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

(Continued)

2. **TURNOVER**

Turnover is attributable to the one principal activity of the company which arose wholly in the United Kingdom.

	<u>2004</u>	<u>2003</u>
3. <u>OPERATING PROFIT</u>		
The operating profit is stated after charging:	<u>£</u>	<u>£</u>
Directors' Remuneration	41,000	41,750
Directors' Pension Costs	4,800	8,200
Depreciation Tangible Fixed Assets	5,069	5,103
Operating Lease Rentals – Motor Vehicles	3,729	4,129
	<u> </u>	<u> </u>

4. **INTEREST PAYABLE**

HP Interest	474	357
Bank Interest	<u>50</u>	<u>172</u>
	<u>524</u>	<u>529</u>

5. **TAXATION**

<u>Domestic Current Year Tax</u>		
UK Corporation Tax	-	-
<u>Deferred tax</u>		
Deferred tax credit (charge) current year	-	287
	<u> </u>	<u> </u>
	-	287
	<u> </u>	<u> </u>

6. **DIVIDENDS**

Dividends Paid - £nil per share (2003: £36 per share)	-	3,600
	<u> </u>	<u> </u>

BUDGET WINDOWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

(Continued)

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
7. <u>DIRECTORS AND EMPLOYEES</u>		
Staff costs during the year were as follows:-		
Wages and salaries (including Directors)	54,199	66,189
Social Security Costs	4,336	5,517
Pension Costs – Defined Contributions Scheme	<u>4,800</u>	<u>8,200</u>
	63,335	79,906
	<u>=====</u>	<u>=====</u>

The average weekly number of persons employed by the company, including directors, during the year was 4 (2003: 5). Due to the size of the company there is no formal classification of duties.

8. TANGIBLE FIXED ASSETS

	<u>Motor Vehicle</u> <u>£</u>	<u>Fixtures & Equipment</u> <u>£</u>	<u>Total</u> <u>£</u>
<u>COST</u>			
At 1 st January 2004	16,348	13,282	29,630
Additions	<u>-</u>	<u>5,180</u>	<u>5,180</u>
At 31 st December 2004	<u>16,348</u>	<u>18,462</u>	<u>34,810</u>
<u>DEPRECIATION</u>			
At 1 st January 2004	4,087	9,219	13,306
Charge for the Year	<u>3,065</u>	<u>2,004</u>	<u>5,069</u>
At 31 st December 2004	<u>7,152</u>	<u>11,223</u>	<u>18,375</u>
<u>NET BOOK VALUE</u>			
At 31 st December 2004	9,196	7,239	16,435
	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 1 st January 2004	12,261	4,063	16,324
	<u>=====</u>	<u>=====</u>	<u>=====</u>

The net book value of fixed assets included £9,196 (2003: £12,261) in respect of assets held under HP Contracts, the depreciation of which was £3,065 (2003: £4,087).

BUDGET WINDOWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

(Continued)

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
9. <u>STOCK & WORK IN PROGRESS</u>		
Finished Goods & Consumables	5,905	6,244
Work in Progress	<u>7,730</u>	<u>3,734</u>
	13,635	9,978
	<u> </u>	<u> </u>
10. <u>DEBTORS</u>		
Trade Debtors	388	26,645
Other Debtors	1,863	2,725
Prepayments & Accrued Income	<u>4,865</u>	<u>10,750</u>
	7,116	40,120
	<u> </u>	<u> </u>
11. <u>CREDITORS: Amounts falling due within one year</u>		
HP Creditor (current portion)	3,925	3,923
Trade Creditors	11,780	25,907
Social Security & Other Taxes	5,437	10,751
Other Creditors	6,730	16,273
Accruals & Deferred Income	<u>2,000</u>	<u>2,405</u>
	29,872	59,259
	<u> </u>	<u> </u>
12. <u>CREDITORS: Amounts falling due after more than one year</u>		
HP Creditor	5,569	9,488
	<u> </u>	<u> </u>
<u>Maturity of Debt</u>		
In one year or less (see note 11)	3,925	3,923
Between one and two years	3,925	3,923
Between two and five years	<u>1,644</u>	<u>5,565</u>
	9,494	13,411
	<u> </u>	<u> </u>

BUDGET WINDOWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

(Continued)

	<u>2004</u> £	<u>2003</u> £
13. <u>DEFERRED TAX ACCOUNT</u>		
B/Fwd at beginning of year	-	(287)
Transfer from/(to) Deferred tax account	-	287
	<hr/>	<hr/>
C/Fwd at end of year	-	-
	<hr/>	<hr/>
 14. <u>CALLED UP SHARE CAPITAL</u>		
<u>Authorised</u>		
10,000 Ordinary Shares of £1 Each	10,000	10,000
	<hr/>	<hr/>
<u>Allotted, Called Up and Fully Paid</u>		
100 Ordinary Shares of £1 each	100	100
	<hr/>	<hr/>
 15. <u>SHAREHOLDERS' FUNDS</u>		
Profit After Taxation	2,964	6,161
Dividends	-	(3,600)
Retained Profit	2,964	2,561
Shareholders Funds at beginning of year	9,861	7,300
	<hr/>	<hr/>
Shareholders' Funds at end of year	12,825	9,861
	<hr/>	<hr/>
 16. <u>FUTURE FINANCIAL COMMITMENTS</u>		
<u>Operating Leases</u>		
At 31 st December 2004, the company had annual commitments under operating leases as set out below :-		
Operating Leases which expire zero to one years (2003: one to two years)	766	3,065
	<hr/>	<hr/>