

ANNUAL REPORT

COWGILL HOLLOWAY

Company Registration No 05101189 (England and Wales)

FRAME 1 (2004) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006



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COWGILL HOLLOWAY

FRAME 1 (2004) LIMITED

COMPANY INFORMATION

Director	A Rothwell	(Appointed 21 July 2006)
Secretary	G Dallimore	
Company number	05101189	
Registered office	Unit 22 Castle Park Industrial Estate Flint Clwyd CH6 5XA	
Auditors	Cowgill Holloway LLP Regency House 45 - 51 Chorley New Road Bolton BL1 4QR	
Bankers	National Westminster Bank plc 22 Castle Street Liverpool L2 0UP	
Solicitors	Wacks Caller Steam Packet House 76 Cross Street Manchester M2 4JU	

FRAME 1 (2004) LIMITED

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FRAME 1 (2004) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2006

The director presents his report and financial statements for the year ended 30 September 2006

Principal activities and review of the business

The principal activity of the company continued to be that of manufacture and distribution of windows

Turnover for the year ended 30 September 2006 has increased on the previous year. This reflects the strategic decision to diversify into the trade, new build and commercial market and away from the low margin, high volume sectors of the industry. Disappointingly the directors have to report that the transition has resulted in further losses being made this year.

These losses have arisen principally as a result of operational inefficiencies and a number of bad debts being incurred at a time when the previous management expended too rapidly. This expansion resulted in quality and service levels decreasing which led to difficulties in collecting debts from a small number of customers. Management changes were implemented in November 2006 and the new members of the management team that were brought in have finally restored quality and service levels back to the standards we and our customers expect.

Given the losses sustained in the year the board does not recommend a dividend to be paid at this time and indeed no dividend can be paid until the company has eliminated its retained losses.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 October 2005

J Duane	(Resigned 10 November 2006)
A Rothwell	(Appointed 21 July 2006)
K Salisbury	(Resigned 21 July 2006)
G Johnson	(Resigned 21 July 2006)

Directors' interests

The directors' interests in the shares of the company were as stated below

	Ordinary Shares of £1 each	
	30 September 2006	1 October 2005
J Duane	-	-
A Rothwell	-	-

A Rothwell holds 2,758,200 ordinary 0.5p shares in the parent company, Crystalband PLC.

Creditor payment policy

It is the company's policy that payments to suppliers are made at the end of the month following the month of purchase. Trade creditor days based on creditors at 30 September 2006 were 130 days (2005: 114 days).

Auditors

Cowgill Holloway LLP were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

FRAME 1 (2004) LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the director to prepare financial statements 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 statements, the director is required to

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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

Statement of disclosure to auditor

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



A Rothwell

Director

30-3-07

FRAME 1 (2004) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FRAME 1 (2004) LIMITED

We have audited the financial statements of Frame 1 (2004) Limited for the year ended 30 September 2006 set out on pages 5 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 the director and auditors

As described in the Statement of Director's Responsibilities on page 2, the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the director's report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

FRAME 1 (2004) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF FRAME 1 (2004) LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the director's report is consistent with the financial statements



Cowgill Holloway LLP

Chartered Accountants
Registered Auditor

8-3-07

Regency House
45 - 51 Chorley New Road
Bolton
BL1 4QR

FRAME 1 (2004) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2006

	Notes	2006 £	2005 £
Turnover	2	5,035,471	4,215,112
Cost of sales		(3,731,419)	(3,788,976)
Gross profit		1,304,052	426,136
Administrative expenses		(1,710,597)	(1,091,371)
Other operating income		2,693	31,006
Operating loss	3	(403,852)	(634,229)
Exceptional item - restructuring costs	4	-	(119,431)
Interest payable and similar charges	5	(67,286)	(1,791)
Loss on ordinary activities before taxation		(471,138)	(755,451)
Tax on loss on ordinary activities	6	-	-
Loss for the year	15	(471,138)	(755,451)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The loss on ordinary activities before taxation and the retained loss have been calculated on the historical cost basis

FRAME 1 (2004) LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Intangible assets	7	(80,409)		(90,460)	
Tangible assets	8	535,210		318,885	
		<u>454,801</u>		<u>228,425</u>	
Current assets					
Stocks	9	252,341		290,919	
Debtors	10	1,299,822		869,272	
Cash at bank and in hand		410		5,530	
		<u>1,552,573</u>		<u>1,165,721</u>	
Creditors. amounts falling due within one year	11	<u>(2,483,865)</u>		<u>(1,463,625)</u>	
Net current liabilities		<u>(931,292)</u>		<u>(297,904)</u>	
Total assets less current liabilities		<u>(476,491)</u>		<u>(69,479)</u>	
Creditors amounts falling due after more than one year	12	<u>(730,608)</u>		<u>(666,482)</u>	
		<u>(1,207,099)</u>		<u>(735,961)</u>	
Capital and reserves					
Called up share capital	14	19,490		19,490	
Profit and loss account	15	(1,226,589)		(755,451)	
Shareholders' funds	16	<u>(1,207,099)</u>		<u>(735,961)</u>	

Approved by the Board and authorised for issue on

30-3-07



A Rothwell
Director

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The directors have prepared detailed cashflows for the company for a period of 12 months from the date of signing these financial statements. These indicate that the company will be able to operate within its existing facilities with both its bankers and suppliers. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group, and it is included in the consolidated cashflow statement of the parent company whose financial statements are publicly available.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

The remaining acquired goodwill related to the plant and equipment and is now being written off in equal annual instalments over its estimated useful economic life in line with those assets' depreciation policy.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% straight line
Fixtures, fittings & equipment	10% straight line
Motor vehicles	33% straight line

1.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overhead.

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

1 Accounting policies (continued)

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred tax is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates which are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss	2006 £	2005 £
Operating loss is stated after charging		
Amortisation of intangible assets	(10,051)	(553,390)
Depreciation of tangible assets	71,035	30,877
Loss on disposal of tangible assets	5,117	169,643
Exceptional costs - restructuring	5,645	-
Operating lease rentals		
- Motor vehicles	98,217	42,141
- Land & Buildings	177,062	174,770
Auditors' remuneration	6,500	6,500
	<u> </u>	<u> </u>

4 Exceptional costs	2006 £	2005 £
Exceptional costs - restructuring	-	(119,431)
	<u> </u>	<u> </u>

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

5	Interest payable	2006 £	2005 £
	On bank loans and overdrafts	-	112
	Lease finance charges	14,211	1,679
	Debt factoring interest and charges	53,075	-
		<u>67,286</u>	<u>1,791</u>
6	Taxation	2006	2005
	Current tax charge	-	-
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(471,138)</u>	<u>(755,451)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2005 - 19.00%)	<u>(89,516)</u>	<u>(143,536)</u>
	Effects of		
	Non deductible expenses	6,003	32,778
	Depreciation add back	13,497	5,867
	Capital allowances	(34,857)	(51,479)
	Other tax adjustments	104,873	156,370
		<u>89,516</u>	<u>143,536</u>
	Current tax charge	-	-

The company has estimated losses of £ 1,374,965 (2005 - £ 823,000) available for carry forward against future trading profits

Other tax adjustments relate to tax losses carried forward

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2006

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2005 & at 30 September 2006	(100,511)
Amortisation	
At 1 October 2005	(10,051)
Charge for the year	(10,051)
At 30 September 2006	(20,102)
Net book value	
At 30 September 2006	(80,409)
At 30 September 2005	(90,460)

Negative goodwill is being written back on a straight line basis over a period of 10 years which is equal to the period over which the related non-monetary assets of the acquired businesses are being depreciated

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2005	322,988	6,074	20,700	349,762
Additions	320,967	510	-	321,477
Disposals	(38,000)	-	-	(38,000)
At 30 September 2006	605,955	6,584	20,700	633,239
Depreciation				
At 1 October 2005	23,669	1,515	5,693	30,877
On disposals	(3,883)	-	-	(3,883)
Charge for the year	62,178	1,958	6,899	71,035
At 30 September 2006	81,964	3,473	12,592	98,029
Net book value				
At 30 September 2006	523,991	3,111	8,108	535,210
At 30 September 2005	299,319	4,559	15,007	318,885

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery	Motor vehicles	Total
	£	£	£
Net book values			
At 30 September 2006	359,518	8,108	367,626
At 30 September 2005	89,701	15,007	104,708
Depreciation charge for the year			
At 30 September 2006	40,203	6,899	47,102
At 30 September 2005	2,300	5,693	7,993

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

9	Stocks and work in progress	2006 £	2005 £
	Raw materials and consumables	175,398	218,595
	Work in progress	41,960	19,756
	Finished goods and goods for resale	34,983	52,568
		<u>252,341</u>	<u>290,919</u>
10	Debtors	2006 £	2005 £
	Trade debtors	1,193,124	732,748
	Other debtors	-	6,969
	Prepayments and accrued income	106,698	129,555
		<u>1,299,822</u>	<u>869,272</u>
11	Creditors' amounts falling due within one year	2006 £	2005 £
	Bank loans and overdrafts	117,036	42,265
	Net obligations under finance leases	111,008	21,091
	Trade creditors	1,063,182	868,476
	Taxes and social security costs	239,500	62,811
	Other creditors	918,889	386,660
	Accruals and deferred income	34,250	82,322
		<u>2,483,865</u>	<u>1,463,625</u>

The bank overdraft is secured on the assets of the company by a charge held by National Westminster Bank Plc dated 23 September 2004

Hire purchase agreements are secured on the assets concerned

Included in other creditors are advanced under debt factoring arrangements of £549,739 (2005 £nil)

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2006

12 Creditors' amounts falling due after more than one year	2006 £	2005 £
Net obligations under finance leases	99,085	44,055
Amounts owed to group undertakings	631,523	622,427
	<u>730,608</u>	<u>666,482</u>
Analysis of loans		
Wholly repayable within five years	631,523	622,427
	<u>631,523</u>	<u>622,427</u>
Hire purchase agreements are secured on the assets concerned		
Net obligations under finance leases		
Repayable within one year	111,008	21,091
Repayable between one and five years	99,085	44,055
	<u>210,093</u>	<u>65,146</u>
Included in liabilities falling due within one year	(111,008)	(21,091)
	<u>99,085</u>	<u>44,055</u>
 13 Pension costs		
Defined contribution		
	2006 £	2005 £
Contributions payable by the company for the year	<u>11,423</u>	<u>29,373</u>
 14 Share capital	2006 £	2005 £
Authorised		
20,000 Ordinary Shares of £1 each	<u>20,000</u>	<u>20,000</u>
 Allotted, called up and fully paid		
19,490 Ordinary Shares of £1 each	<u>19,490</u>	<u>19,490</u>

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2006

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2005	(755,451)
Loss for the year	(471,138)
	<u> </u>
Balance at 30 September 2006	<u>(1,226,589)</u>

16 Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Loss for the financial year	(471,138)	(755,451)
Proceeds from issue of shares	-	19,490
	<u> </u>	<u> </u>
Net depletion in shareholders' funds	(471,138)	(735,961)
Opening shareholders' funds	(735,961)	-
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>(1,207,099)</u>	<u>(735,961)</u>

17 Financial commitments

At 30 September 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2007

	Land and buildings		Other	
	2006 £	2005 £	2006 £	2005 £
Operating leases which expire				
Between two and five years	-	-	19,175	19,175
In over five years	110,000	110,000	-	-
	<u>110,000</u>	<u>110,000</u>	<u>19,175</u>	<u>19,175</u>

18 Capital commitments

	2006 £	2005 £
At 30 September 2006 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	-	310,000
	<u> </u>	<u> </u>

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

19 Directors' emoluments	2006 £	2005 £
Emoluments for qualifying services	88,546	118,662
Company pension contributions to money purchase schemes	3,048	3,323
	<u>91,594</u>	<u>121,985</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 1)

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2006 Number	2005 Number
Production	60	57
Administration	17	23
	<u>77</u>	<u>80</u>

Employment costs

	2006 £	2005 £
Wages and salaries	1,582,621	1,599,643
Social security costs	131,520	144,579
Other pension costs	11,423	29,373
	<u>1,725,564</u>	<u>1,773,595</u>

21 Control

The company is a 100% subsidiary of Crystalband PLC, a company registered in England & Wales, which is also the ultimate parent company

FRAME 1 (2004) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2006

22 Related party transactions

Included in other creditors are loans repayable totalling £356,250 (2004 £356,750) due to those individuals who were shareholders of the company prior to the acquisition of the company by Crystalband PLC. The loans are interest free and repayable on demand, provided the directors are satisfied, acting reasonably, that the company has following any payment, sufficient working capital for the subsequent twelve months.

The shareholders prior to the acquisition included G Johnson and K Salisbury who were also directors of the company during the year.

As at 30 September 2006	Nature of relationship	Purchases from £	Sales to £	Amounts owed by £	Amounts owed to £
Vista Panels Limited	Shared a common directorship with the parent company	72,237	690	26,001	19,646
Vista Group PLC	Shared a common directorship with the parent company	21,532	854,895	-	-
Warwick Developments Limited	Shared a common directorship with the parent company	45,653	6,641	7,671	5,288
		<u>139,422</u>	<u>862,226</u>	<u>33,672</u>	<u>24,934</u>
As at 30 September 2005	Nature of relationship	Purchases from £	Sales to £	Amounts owed by £	Amounts owed to £
Vista Panels Limited	Shared a common directorship with the parent company	29,524	724,084	126,896	11,680
Vista Group PLC	Shared a common directorship with the parent company	7,307	-	-	8,586
Warwick Developments Limited	Shared a common directorship with the parent company	33,604	-	-	1,702
		<u>70,435</u>	<u>724,084</u>	<u>126,896</u>	<u>21,968</u>

FRAME 1 (2004) LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2006

FRAME 1 (2004) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2006

		2006		2005
	£	£	£	£
Turnover				
Sales		5,035,471		4,215,112
Cost of sales				
Opening stock of finished goods	290,919		-	
Purchases	2,630,435		2,561,177	
Direct costs	16,104		100,481	
Wages and salaries (excl NI)	944,108		907,504	
Employer' NI contributions	86,938		78,375	
Carriage inwards and import duty	15,256		432,358	
	<u>3,983,760</u>		<u>4,079,895</u>	
Closing work in progress - short term	(252,341)		(290,919)	
		<u>(3,731,419)</u>		<u>(3,788,976)</u>
Gross profit	25 90%	1,304,052	10 11%	426,136
Administrative expenses		<u>(1,710,597)</u>		<u>(1,091,371)</u>
		(406,545)		(665,235)
Other operating income				
Sundry income		<u>2,693</u>		<u>31,006</u>
Operating loss		<u>(403,852)</u>		<u>(634,229)</u>
Income from investments				
Exceptional item - restructuring costs		-		(119,431)
Interest payable				
Lease finance charges - paid	14,211		1,679	
Debt factoring charges	53,075		-	
Bank overdraft interest - paid	-		112	
		<u>(67,286)</u>		<u>(1,791)</u>
Loss before taxation	9 36%	<u>(471,138)</u>	17 92%	<u>(755,451)</u>

FRAME 1 (2004) LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2006

	2006 £	2005 £
Administrative expenses		
Wages and salaries (excl NI)	549,967	573,477
Directors' remuneration	88,546	118,662
Employer's NI contributions	44,582	66,204
Directors' contributions on money purchase scheme	3,048	3,323
Staff pension costs defined contribution	8,375	26,050
Security	52,239	69,175
Rent re operating leases	177,062	174,770
Insurance	68,470	71,480
Light and heat	60,735	68,095
Repairs and maintenance	49,233	38,206
Cleaning	11,020	10,362
Postage	17,257	13,747
Advertising	69	6,399
Computer running costs	5,153	14,574
Telephone	30,278	17,959
Hire of equipment	3,437	4,026
Motor vehicle leasing	98,217	42,141
Motor running expenses	93,548	53,129
Entertaining - allowable	1,762	-
Legal and prof fees - allowable	37,679	23,388
Accountancy	6,238	-
Audit fees	6,500	6,500
Bank charges	13,987	6,768
Bad and doubtful debts	201,850	25,686
Sundry expenses - allowable	9,599	4,320
Sundry expenses - non allowable	-	5,800
Amortisation	(10,051)	(553,390)
Depreciation	71,035	30,877
Exceptional costs - restructuring	5,645	-
Losses on disposal of fixed assets	5,117	169,643
	<u>1,710,597</u>	<u>1,091,371</u>