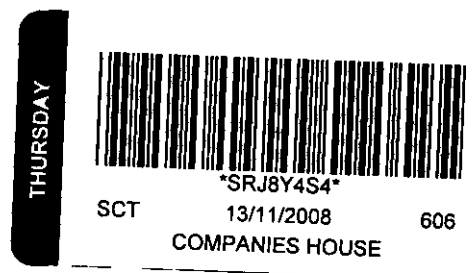


WALKER PROFILES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008



Company Registration Number SC173084

WALKER PROFILES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

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WALKER PROFILES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2008

The board of directors	J C Campbell D A Fairfoull
Company secretary	J C Campbell
Business address	35A Range Road Motherwell ML1 2HR
Registered office	Carriden Sawmills Carriden Industrial Estate Bo'ness West Lothian EH51 9SQ
Auditor	Tenon Audit Limited Registered Auditor 160 Dundee Street Edinburgh EH11 1DQ

WALKER PROFILES LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2008

The directors present their report and the financial statements of the company for the year ended 31 March 2008

Principal activities and business review

The company's principal activity continued to be the manufacture and installation of PVCu windows and doors

At the year end the company had shareholders funds of £943k (2007 £869k) The directors therefore believe the company's position to be satisfactory especially as the company's current assets exceed its current liabilities by £840k (2007 £742k)

The directors have assessed the main risk facing the company as the contracting market for new build residential housing The directors believe that the quality of the company's products and customer service will help mitigate this risk, but expect the coming year to provide difficult trading conditions

Directors

The directors who served the company during the year were as follows

J C Campbell
D A Fairfoull

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to 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 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 proper accounting records which 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 1985 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

WALKER PROFILES LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 MARCH 2008

In so far as the directors are, individually, aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Signed by order of the directors



J C Campbell
Company Secretary

Approved by the directors on 10 July 2008

WALKER PROFILES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WALKER
PROFILES LIMITED
YEAR ENDED 31 MARCH 2008

We have audited the financial statements of Walker Profiles Limited on pages 6 to 15 for the year ended 31 March 2008. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the statement of directors' responsibilities on pages 2 to 3, the company's directors are 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. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition, we 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 directors' remuneration and other transactions is not disclosed.

We read the Directors' 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 directors 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.

WALKER PROFILES LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WALKER
PROFILES LIMITED *(continued)***

YEAR ENDED 31 MARCH 2008

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 31 March 2008 and of its profit for the year then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Directors' Report is consistent with the financial statements

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor
160 Dundee Street
Edinburgh
EH11 1DQ

Date 10 July 2008

WALKER PROFILES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2008

	Note	2008 £	2007 £
Turnover		5,475,426	4,707,577
Cost of sales		(2,753,952)	(2,106,202)
Gross profit		<u>2,721,474</u>	<u>2,601,375</u>
Administrative expenses		(2,668,541)	(2,580,162)
Other operating income	2	39,777	15,342
Exceptional items	3		(210,226)
Operating profit/(loss)	4	<u>92,710</u>	<u>(173,671)</u>
Interest receivable	5	12,398	10,163
Interest payable and similar charges		(433)	(2,762)
Profit/(loss) on ordinary activities before taxation		<u>104,675</u>	<u>(166,270)</u>
Tax on profit/(loss) on ordinary activities	6	(30,514)	50,000
Profit/(loss) for the financial year		<u><u>74,161</u></u>	<u><u>(116,270)</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 15 form part of these financial statements

WALKER PROFILES LIMITED

BALANCE SHEET

31 MARCH 2008

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	7	105,065	127,094
Current assets			
Stocks		663,127	353,152
Debtors	8	1,033,667	973,096
Cash at bank		46,576	345,242
		<u>1,743,370</u>	<u>1,671,490</u>
Creditors Amounts falling due within one year	9	<u>(903,711)</u>	<u>(929,821)</u>
Net current assets		839,659	741,669
Total assets less current liabilities		<u>944,724</u>	<u>868,763</u>
Provisions for liabilities			
Deferred taxation	11	<u>(1,800)</u>	<u>-</u>
		<u>942,924</u>	<u>868,763</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account	14	942,824	868,663
Shareholders' funds	15	<u>942,924</u>	<u>868,763</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These financial statements were approved by the directors and authorised for issue on 10 July 2008, and are signed on their behalf by

J C Campbell
Director

D A Fairfoul
Director



The notes on pages 8 to 15 form part of these financial statements

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

1. Accounting policies

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent undertaking publishes a consolidated cash flow statement

Turnover

Turnover comprises the value of sales and installation of PVCu windows and doors, excluding value added tax and trade discounts

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Plant and machinery	10% and 20% straight line
Motor vehicles	20% straight line
Computer equipment	14% straight line

Stocks

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

Cost, which comprises the purchase price of goods, is determined on a first in, first out basis
Net realisable value is based on estimated selling price, less any further costs of realisation

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct materials, labour and attributable overheads. Net realisable value is based on estimated selling price, less any further costs of realisation

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Pension costs

The company's parent undertaking operates a defined benefit pension scheme on behalf of the group's employees. The company participates in this scheme. The assets of the scheme are held in separate trustee administered funds. More than one employer participates in the defined benefit scheme. The company is unable to identify its share of the underlying assets and liabilities in the scheme on a constant and reasonable basis. The contributions to the scheme have therefore been accounted for as if it were a defined contribution scheme and are charged to the profit and loss account in the year in which they become payable.

The company also operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Other operating income

	2008 £	2007 £
Sundry income	39,777	15,342

3 Exceptional items

	2008 £	2007 £
Exceptional pension contributions	—	(210,226)

4 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting)

	2008 £	2007 £
Staff pension contributions	(18,801)	60,971
Depreciation of owned fixed assets	24,279	31,415
Operating lease costs		
Plant and machinery	—	10,805
Other	70,000	70,000
Auditor's remuneration	2,950	1,925

5 Interest receivable

	2008 £	2007 £
Bank interest receivable	12,398	10,163

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

6 Taxation on ordinary activities

(a) Analysis of charge in the year

	2008		2007
	£	£	£
UK Corporation tax		5,402	
Over provision in prior years			(65,250)
		<u>5,402</u>	<u>(65,250)</u>
(Receipt)/Payment in respect of group relief surrendered		(74,688)	65,250
		<u>(69,286)</u>	
Deferred tax			
Origination and reversal of timing differences	99,800		(50,000)
Total deferred tax (note 11)		<u>99,800</u>	<u>(50,000)</u>
Tax on profit/(loss) on ordinary activities		<u>30,514</u>	<u>(50,000)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2007 30%)

	2008	2007
	£	£
Profit/(loss) on ordinary activities before taxation	<u>104,675</u>	<u>(166,270)</u>
Profit/(loss) on ordinary activities by rate of tax	31,403	(49,881)
Effects of		
Expenses not deductible for tax purposes	80	
Capital allowances for year in excess of depreciation	(4,639)	(5,933)
Unrelieved tax losses		74,688
Movement in provisions	(20,284)	(18,874)
Marginal relief	(1,158)	
Payment for group relief surrendered	(74,688)	
Total current tax (note 6(a))	<u>(69,286)</u>	

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

7 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost				
At 1 April 2007	388,604	39,028	66,335	493,967
Additions	2,250	—	—	2,250
At 31 March 2008	<u>390,854</u>	<u>39,028</u>	<u>66,335</u>	<u>496,217</u>
Depreciation				
At 1 April 2007	295,505	16,641	54,727	366,873
Charge for the year	12,844	8,535	2,900	24,279
At 31 March 2008	<u>308,349</u>	<u>25,176</u>	<u>57,627</u>	<u>391,152</u>
Net book value				
At 31 March 2008	<u>82,505</u>	<u>13,852</u>	<u>8,708</u>	<u>105,065</u>
At 31 March 2007	<u>93,099</u>	<u>22,387</u>	<u>11,608</u>	<u>127,094</u>

8 Debtors

	2008 £	2007 £
Trade debtors	855,693	617,444
Amounts owed by group undertakings	94,315	205,997
VAT recoverable	36,085	—
Other debtors	1,365	—
Prepayments and accrued income	46,209	51,655
Deferred taxation (note 11)	—	98,000
	<u>1,033,667</u>	<u>973,096</u>

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

9 Creditors Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	571,851	489,255
Amounts owed to group undertakings	10,152	23,904
Other creditors including taxation and social security		
Corporation tax	8,164	–
PAYE and social security	73,166	61,818
VAT	–	73,211
Other creditors	113,484	181,225
Accruals and deferred income	126,894	100,408
	<u>903,711</u>	<u>929,821</u>

At the year end there was an inter company guarantee and set off arrangement to National Westminster Bank Plc between Guildway Limited, Woodbridge Timber Limited, Pattrick and Thompsons Limited, Cox Long Limited, Walker Profiles (North East) Limited and Walker Profiles Limited

10 Pensions

Certain of the company's employees participate in a group wide defined benefit scheme operated by the parent undertaking. As it is not possible to separately identify the company's share of the assets and liabilities of this scheme the company has as permitted by Financial Reporting Standard No 17 accounted for contributions made as if it were a defined contribution scheme. The directors are aware that at this time there is an excess of scheme liabilities over assets within the group scheme but are satisfied that the cost to the company of correcting any deficit attributable to its employees would not be material to the company's financial position at the year end.

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

At the year end £67,631 (2007: £135,971) of contributions were outstanding.

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

11 Deferred taxation

The deferred tax included in the Balance sheet is as follows

	2008	<i>2007</i>
	£	<i>£</i>
Included in debtors (note 8)		(98,000)
Included in provisions	1,800	
	<u>1,800</u>	<u>(98,000)</u>

The movement in the deferred taxation account during the year was

	2008	<i>2007</i>
	£	<i>£</i>
At 1 April 2007	(98,000)	(48,000)
Profit and loss account movement arising during the year	99,800	(50,000)
At 31 March 2008	<u>1,800</u>	<u>(98,000)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2008	<i>2007</i>
	£	<i>£</i>
Excess of depreciation over taxation allowances	(7,300)	(12,000)
Tax losses available		(75,000)
Other timing differences	9,100	(11,000)
	<u>1,800</u>	<u>(98,000)</u>

The deferred tax provision of £1,800 (2007 asset of £98,000) has been calculated using a tax rate of 30% (2007 30%)

12 Commitments under operating leases

At 31 March 2008 the company had annual commitments under non cancellable operating leases as set out below

	2008		<i>2007</i>	
	Land & buildings	Other items	<i>Land & buildings</i>	<i>Other items</i>
	£	£	£	£
Operating leases which expire				
Within 1 year				10,085
After more than 5 years	70,000		70,000	
	<u>70,000</u>	<u> </u>	<u>70,000</u>	<u>10,085</u>

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

13 Share capital

Authorised share capital

	2008 £	2007 £
90 A Ordinary shares of £1 each	90	90
10 B Ordinary shares of £1 each	10	10
	<u>100</u>	<u>100</u>

Allotted, called up and fully paid

	2008		2007	
	No	£	No	£
A Ordinary shares of £1 each	90	90	90	90
B Ordinary shares of £1 each	10	10	10	10
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

"A" and "B" ordinary shares rank pari passu in all respects

14 Profit and loss account

	2008 £	2007 £
Balance brought forward	868,663	984,933
Profit/(loss) for the financial year	74,161	(116,270)
Balance carried forward	<u>942,824</u>	<u>868,663</u>

15. Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit/(loss) for the financial year	74,161	(116,270)
Opening shareholders' funds	868,763	985,033
Closing shareholders' funds	<u>942,924</u>	<u>868,763</u>

16 Related parties

The company's ultimate parent undertaking is James Walker (Leith) Limited, a company registered in Scotland

In the directors' opinion, the company has no ultimate controlling party

As a subsidiary of James Walker (Leith) Limited, advantage has been taken of the exemption granted by Financial Reporting Standard 8, Related Party Disclosures, not to report details of the transactions with entities which are more than 90% controlled by a common parent undertaking

WALKER PROFILES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008

17 Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2007	<i>2006</i>
	No	<i>No</i>
Number of production staff	62	59
Number of administrative staff	10	10
Number of management staff	2	2
	<u>74</u>	<u>71</u>

The aggregate payroll costs of the above were

	2007	<i>2006</i>
	£	<i>£</i>
Wages and salaries	1,888,022	1,734,032
Social security costs	194,518	150,949
Other pension costs	(18,801)	60,971
	<u>2,063,739</u>	<u>1,945,952</u>