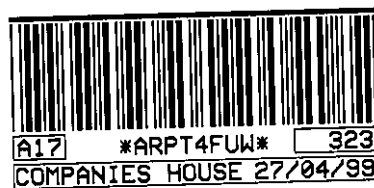


B & S GLASS INDUSTRIES LIMITED

ANNUAL REPORT AND ACCOUNTS

30 JUNE 1998



KEITH RAFFAN & CO.
CHARTERED ACCOUNTANTS
36 GREAT RUSSELL STREET
LONDON WC1B 3PP

B & S GLASS INDUSTRIES LIMITED

ANNUAL REPORT AND ACCOUNTS - 30 JUNE 1998

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B & S GLASS INDUSTRIES LIMITED

COMPANY INFORMATION

Directors:

Mr B R Botterman
Mrs S J Tucker

Secretary:

Mrs S J Tucker

Registered office:

47 Sutherland Road
Walthamstow
London E17 6BH

Auditors:

Keith Raffan & Co.
Chartered Accountants
36 Great Russell Street
London WC1B 3PP

Company No.

232408

B & S GLASS INDUSTRIES LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 30 June 1998.

ACTIVITIES

The principal activity of the company in the year under review is that of glass manufacturing. The company is a wholly owned subsidiary of Glass Bending and Decorating Limited.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the year, together with their beneficial interests in the share capital of the holding company, were as follows:

	Ordinary shares of £1 each	
	<u>1998</u>	<u>1997</u>
Mr B R Botterman	450	450
Mrs S J Tucker	550	550

Mr B R Botterman retires by rotation and offers himself for re-election.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare 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 accounts, the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;

prepare the 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 disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political or charitable contributions were made in the year.

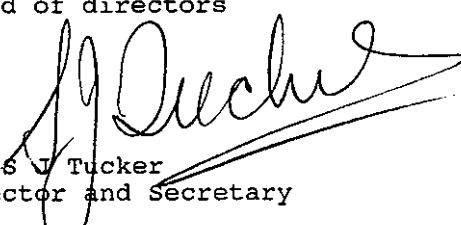
B & S GLASS INDUSTRIES LIMITED
REPORT OF THE DIRECTORS (CONTINUED)

AUDITORS

The Auditors, Messrs Keith Raffan & Co., are deemed to be re-appointed in accordance with Section 385 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the
board of directors


Mrs S J Tucker
Director and Secretary

26/4/99

Approved by the board:

AUDITORS' REPORT TO THE SHAREHOLDERS OF

B & S GLASS INDUSTRIES LIMITED

We have audited the accounts on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Keith Raffan & Co.

KEITH RAFFAN & CO.
Chartered Accountants and Registered Auditors

36 Great Russell Street
London WC1B 3PP

26 April 1999

B & S GLASS INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 June 1998

	Notes	<u>1998</u> £	<u>1997</u> £
TURNOVER	2	434024	374374
Cost of sales		(337683)	(282723)
GROSS PROFIT		<u>96341</u>	<u>91651</u>
Distribution costs		(11048)	(6005)
Administrative expenses		(70896)	(68982)
OPERATING PROFIT/(LOSS)	3	<u>14397</u>	<u>16664</u>
Interest receivable		278	81
Interest payable		(1097)	(619)
Loss on disposal of fixed assets		(1160)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>12418</u>	<u>16126</u>
TAXATION		(2481)	(3912)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>9937</u>	<u>12214</u>
Dividends		-	-
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>9937</u>	<u>12214</u>
RETAINED PROFIT AT 1 JULY 1997		51504	39290
RETAINED PROFIT AT 30 JUNE 1998		<u>£61441</u>	<u>£51504</u>

CONTINUING OPERATIONS

All of the company's activities in the above two financial years derived from continuing operations.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains and losses other than the profit and loss for the period.

B & S GLASS INDUSTRIES LIMITED


BALANCE SHEET

At 30 JUNE 1998

		<u>1998</u>	<u>1997</u>
	Notes	£	£
FIXED ASSETS			
Tangible assets	4	50587	36798
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	5	43835	39811
Debtors	6	105988	81556
Cash at bank and in hand		9484	13822
		<hr/>	<hr/>
		159307	135189
CREDITORS: Amounts falling due within one year	7	(128623)	(100653)
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		30684	34536
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		81271	71334
CREDITORS: Amounts falling due after more than one year	8	7083	7083
		<hr/>	<hr/>
		£74188	£64251
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	9	12747	12747
Profit and loss account		61441	51504
		<hr/>	<hr/>
	10	£74188	£64251
		<hr/>	<hr/>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small compnaies.

Signed on behalf of the
board of directors


.....
Mrs S J Tucker
Director

26/4/99

Approved by the board:

B & S GLASS INDUSTRIES LIMITED

NOTES TO THE ACCOUNTS - 30 JUNE 1998

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention.

Consolidation

The company and its holding company comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Turnover

Turnover represents net invoiced sales of goods, excluding VAT.

Tangible fixed assets

Depreciation is provided, after taking into account any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life:

Plant, fixtures and fittings	20% on cost
Motor cars	20% on cost

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not rise in the foreseeable future.

2. TURNOVER

There were no sales outside the United Kingdom (1997 - nil).

B & S GLASS INDUSTRIES LIMITED

NOTES TO THE ACCOUNTS - 30 JUNE 1998

3. OPERATING PROFIT(LOSS)

The operating profit is stated after charging:

	1998	1997
	£	£
Auditors' remuneration	500	500
Depreciation	15324	13049
	<hr/>	<hr/>
Directors' emoluments -		
For services as directors	-	-
Other emoluments	-	-
	<hr/>	<hr/>
	£ -	£ -
	<hr/>	<hr/>

4. TANGIBLE FIXED ASSETS

	Plant, fixtures £	Motor van £	Total £
Cost or valuation			
At 1 July 1997	46847	2400	49247
Additions	30273	-	30273
Disposals	(2900)	-	(2900)
At 30 June 1998	<hr/> 74220	<hr/> 2400	<hr/> 76620
Depreciation			
At 1 July 1997	11489	960	12449
Charge for year	14844	480	15324
Disposals	(1740)	-	(1740)
At 30 June 1998	<hr/> 24593	<hr/> 1440	<hr/> 26033
Net book values			
At 30 June 1998	<hr/> £49627	<hr/> £ 960	<hr/> £50587
At 30 June 1997	<hr/> £35358	<hr/> £1440	<hr/> £36798

5. STOCKS

	1998	1997
	£	£
Stocks	43835	39811
Payments on account	-	-
	<hr/> £43835	<hr/> £39811

6. DEBTORS

	1998	1997
	£	£
Trade debtors	92068	69046
Prepayments	13920	12510
	<hr/> £105988	<hr/> £ 81556

B & S GLASS INDUSTRIES LIMITED

NOTES TO THE ACCOUNTS - 30 JUNE 1998

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998	1997
	£	£
Bank loans and overdrafts(secured)	30504	31093
Trade creditors	61944	47290
Corporation tax	2519	4000
Other taxation and social security	1354	3743
Amount due to holding company	24982	-
Accruals and deferred income	7320	14527
	<u>£128623</u>	<u>£100653</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998	1997
	£	£
Bank loan (secured)	7083	7083
	<u>£7083</u>	<u>£7083</u>

9. CALLED UP SHARE CAPITAL

	1998	1997
	£	£
Authorised		
4706 ordinary shares of 50p each	2353	2353
25294 deferred shares of 50p each	12647	12647
	<u>£15000</u>	<u>£15000</u>
Alloted and fully paid		
200 ordinary shares of 50p each	100	100
25294 deferred shares of 50p each	12647	12647
	<u>£12747</u>	<u>£12747</u>

10. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	1998	1997
	£	£
Profit(loss) for the year after taxation	9937	12214
Opening shareholders' funds at 1 July 1997	64251	52037
Closing shareholders' funds at 30 June 1998	<u>74188</u>	<u>64251</u>