

REGISTERED NUMBER: 267731 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003
FOR
FEDERATED WINDOWS & DOORS LTD



FEDERATED WINDOWS & DOORS LTD

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Financial Statements	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Financial Statements	10

FEDERATED WINDOWS & DOORS LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003**

DIRECTORS:

P W Johnson
E W Johnson
J Chamberlain
D P Edwards
N Holding
B P McCabe

SECRETARY:

R A Smith

REGISTERED OFFICE:

126 -136 Green Lane
Old Swan
Liverpool
Merseyside
L13 7ED

REGISTERED NUMBER:

267731 (England and Wales)

AUDITORS:

Styles & Co Accountants Ltd
Chartered Accountants
& Registered Auditors
Heather House
473 Warrington Road
Culcheth
Warrington
WA3 5QU

BANKERS:

HSBC Bank plc
4 Dale Street
Liverpool
Merseyside
L69 2BZ

FEDERATED WINDOWS & DOORS LTD

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the design, manufacture and installation of metal windows and doors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Sales for the year were £3,929,877 compared with £2,893,170 for the previous year. Operating profit increased from £56,377 to £97,390 and profits before taxation increased by £39,030 to £86,776.

The directors consider the state of the company's affairs to be satisfactory.

DIVIDENDS

No interim dividends were paid during the year ended 31 March 2003.

The directors recommend final dividends per share as follows:

Ordinary £1 shares	93.567p
Cumulative 10% preference shares £1 shares	NIL

The total distribution of dividends for the year ended 31 March 2003 will be £100,000.

DIRECTORS

The directors during the year under review were:

P W Johnson
E W Johnson
J Chamberlain
D P Edwards
N Holding
B P McCabe

The directors holding office at 31 March 2003 did not hold any beneficial interest in the issued share capital of the company at 1 April 2002 or 31 March 2003.

Directors interests in the holding company are shown in that company's accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 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 to 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.

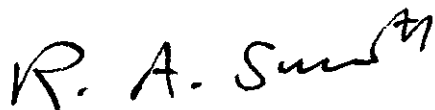
FEDERATED WINDOWS & DOORS LTD

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003**

AUDITORS

The auditors, Styles & Co Accountants Ltd, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'R. A. Smith' with a stylized flourish at the end.

R A Smith - SECRETARY

Dated: 22 September 2003

FEDERATED WINDOWS & DOORS LTD

**REPORT OF THE INDEPENDENT AUDITORS TO
FEDERATED WINDOWS & DOORS LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages five to sixteen, together with the full financial statements of the company for the year ended 31 March 2003 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to sixteen are properly prepared in accordance with that provision.



Styles & Co Accountants Ltd
Chartered Accountants
& Registered Auditors
Heather House
473 Warrington Road
Culcheth
Warrington
WA3 5QU

Dated: 24 September 2003

FEDERATED WINDOWS & DOORS LTD
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

		<u>31.3.03</u>	<u>31.3.02</u>
	Notes	£	£
GROSS PROFIT		1,425,498	1,128,519
Distribution costs		(68,325)	(70,917)
Administrative expenses		(1,259,783)	(1,001,225)
OPERATING PROFIT	3	97,390	56,377
Income from investments		12,735	10,854
Interest receivable and similar income	4	2,901	7,148
		113,026	74,379
Interest payable and similar charges	5	(26,250)	(26,633)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		86,776	47,746
Tax on profit on ordinary activities	6	(250)	(1,707)
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		86,526	46,039
Dividends	7	(100,000)	-
		(13,474)	46,039
Retained profit brought forward		138,194	92,155
RETAINED PROFIT CARRIED FORWARD		£124,720	£138,194

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

FEDERATED WINDOWS & DOORS LTD

**ABBREVIATED BALANCE SHEET
31 MARCH 2003**

		31.3.03	31.3.02
	Notes	£	£
FIXED ASSETS:			
Tangible assets	8	49,334	63,535
Investments	9	-	219,942
		<u>49,334</u>	<u>283,477</u>
CURRENT ASSETS:			
Stocks	10	746,161	544,846
Debtors	11	311,823	270,655
Cash at bank and in hand		182,242	1,541
		<u>1,240,226</u>	<u>817,042</u>
CREDITORS: Amounts falling due within one year	12	<u>(704,890)</u>	<u>(402,375)</u>
NET CURRENT ASSETS:		<u>535,336</u>	<u>414,667</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>584,670</u>	<u>698,144</u>
CREDITORS: Amounts falling due after more than one year	13	<u>(200,000)</u>	<u>(300,000)</u>
		<u><u>£384,670</u></u>	<u><u>£398,144</u></u>
CAPITAL AND RESERVES:			
Called up share capital	16	146,875	146,875
Share premium	17	113,075	113,075
Profit and loss account		124,720	138,194
SHAREHOLDERS' FUNDS:	20	<u><u>£384,670</u></u>	<u><u>£398,144</u></u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



J Chamberlain - DIRECTOR

Approved by the Board on 22 September 2003

FEDERATED WINDOWS & DOORS LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003**

		<u>31.3.03</u>	<u>31.3.02</u>
	Notes	£	£
Net cash inflow/(outflow) from operating activities	1	71,148	(92,782)
Returns on investments and servicing of finance	2	(10,614)	(8,631)
Taxation		(2,423)	(5,100)
Capital expenditure and financial investment	2	144,038	(23,644)
Increase/(Decrease) in cash in the period		<u>£202,149</u>	<u>£(130,157)</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		202,149	(130,157)
Cash outflow from decrease in debt and lease financing		<u>-</u>	<u>387</u>
Change in net debt resulting from cash flows		202,149	(129,770)
Movement in net debt in the period		202,149	(129,770)
Net debt at 1 April		<u>(319,907)</u>	<u>(190,137)</u>
Net debt at 31 March		<u>£(117,758)</u>	<u>£(319,907)</u>

The notes form part of these financial statements

FEDERATED WINDOWS & DOORS LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	31.3.03	31.3.02
	£	£
Operating profit	97,390	56,377
Depreciation charges	18,417	20,894
Loss on sale of fixed assets	38,430	1,256
Balancing figure	33,260	-
(Increase)/Decrease in stocks	(201,315)	130,405
(Increase)/Decrease in debtors	(41,170)	8,132
Increase/(Decrease) in creditors	126,136	(309,846)
Net cash inflow/(outflow) from operating activities	71,148	(92,782)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.3.03	31.3.02
	£	£
Returns on investments and servicing of finance		
Interest received	2,901	7,148
Interest paid	(26,250)	(26,250)
Interest element of hire purchase or finance lease rentals payments	-	(383)
Dividends received	12,735	10,854
Net cash outflow for returns on investments and servicing of finance	(10,614)	(8,631)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(9,734)	(24,998)
Sale of intangible fixed assets	(33,260)	-
Sale of tangible fixed assets	350	1,354
Sale of investments	186,682	-
Net cash inflow/(outflow) for capital expenditure	144,038	(23,644)

FEDERATED WINDOWS & DOORS LTD

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.02 £	Cash flow £	At 31.3.03 £
Net cash:			
Cash at bank and in hand	1,541	180,701	182,242
Bank overdraft	(21,448)	21,448	-
	<u>(19,907)</u>	<u>202,149</u>	<u>182,242</u>
Debt:			
Debts falling due within one year	-	(100,000)	(100,000)
Debts falling due after one year	(300,000)	100,000	(200,000)
	<u>(300,000)</u>	<u>-</u>	<u>(300,000)</u>
Total	<u>(319,907)</u>	<u>202,149</u>	<u>(117,758)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	1,541		182,242
Bank overdraft	(21,448)		-
Debts falling due within one year	-		(100,000)
Debts falling due after one year	(300,000)		(200,000)
	<u>(319,907)</u>		<u>(117,758)</u>

FEDERATED WINDOWS & DOORS LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 33% on reducing balance
Motor vehicles	- 33% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Stocks and work in progress

Raw materials are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Factory work in progress is valued at the lower of cost and net realisable value. Cost includes all production overheads, depreciation, and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal. Long-term contract work in progress is valued at net cost less foreseeable losses.

Pensions

The company makes contributions to the Rea Windows Pension Scheme, and to the Rea Retirement Benefits Scheme, both money purchase schemes. The assets of both schemes are held separately from the assets of the company. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of each scheme.

2. STAFF COSTS

	31.3.03	31.3.02
	£	£
Wages and salaries	1,204,737	1,105,475
Social security costs	78,845	63,269
Other pension costs	66,529	60,441
	<u>1,350,111</u>	<u>1,229,185</u>

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

	31.3.03	31.3.02
Production staff	39	35
Office and management	8	8
Sales and contractors	13	14
Fixers	1	1
	<u>61</u>	<u>58</u>

FEDERATED WINDOWS & DOORS LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.03	31.3.02
	£	£
Depreciation - owned assets	18,417	20,894
Loss on disposal of fixed assets	38,430	1,256
Auditors' remuneration	13,060	11,359
Operating lease - rent	101,000	101,000
	<u>210,686</u>	<u>199,242</u>
Directors' emoluments	46,700	46,700
Directors' pension contributions to money purchase schemes	<u>46,700</u>	<u>46,700</u>

The number of directors to whom retirement benefits were accruing was as follows:

	6	6
Money purchase schemes	<u>6</u>	<u>6</u>

Information regarding the highest paid director for the year ended 31 March 2003 is as follows:

	31.3.03
	£
Emoluments etc	<u>71,125</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.3.03	31.3.02
	£	£
Deposit account interest	<u>2,901</u>	<u>7,148</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.03	31.3.02
	£	£
Pension scheme loan interest	26,250	26,250
Hire purchase	-	383
	<u>26,250</u>	<u>26,633</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.03	31.3.02
	£	£
Current tax:		
UK corporation tax	250	1,112
Prior year underprovision	-	595
	<u>250</u>	<u>1,707</u>
Total current tax	<u>250</u>	<u>1,707</u>
	<u>250</u>	<u>1,707</u>
Tax on profit on ordinary activities	<u>250</u>	<u>1,707</u>

FEDERATED WINDOWS & DOORS LTD

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

7. DIVIDENDS

	31.3.03	31.3.02
	£	£
Equity shares:		
106,875 Ordinary shares of £1 each		
Final - ordinary shares	<u>100,000</u>	<u>-</u>
	<u><u>100,000</u></u>	<u><u>-</u></u>

8. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 April 2002	314,849	142,387	87,792	545,028
Additions	904	330	8,500	9,734
Disposals	(3,816)	(299)	(14,154)	(18,269)
At 31 March 2003	<u>311,937</u>	<u>142,418</u>	<u>82,138</u>	<u>536,493</u>
DEPRECIATION:				
At 1 April 2002	294,163	131,996	55,332	481,491
Charge for year	4,015	3,241	11,161	18,417
Eliminated on disposals	(3,659)	(202)	(8,888)	(12,749)
At 31 March 2003	<u>294,519</u>	<u>135,035</u>	<u>57,605</u>	<u>487,159</u>
NET BOOK VALUE:				
At 31 March 2003	<u>17,418</u>	<u>7,383</u>	<u>24,533</u>	<u>49,334</u>
At 31 March 2002	<u>20,686</u>	<u>10,390</u>	<u>32,459</u>	<u>63,535</u>

9. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 April 2002	450,000
Disposals	(450,000)
At 31 March 2003	<u>-</u>
PROVISIONS:	
At 1 April 2002	230,058
Provisions written back	(230,058)
At 31 March 2003	<u>-</u>
NET BOOK VALUE:	
At 31 March 2003	<u>-</u>
At 31 March 2002	<u>219,942</u>

FEDERATED WINDOWS & DOORS LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

9. FIXED ASSET INVESTMENTS - continued

	31.3.03	31.3.02
	£	£
Unlisted investments	-	219,942

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Secco Profiles Limited

Nature of business: Promotes window systems in the UK and Ireland

Class of shares:	%
Ordinary shares	holding 100.00

	31.3.03	31.3.02
	£	£
Aggregate capital and reserves	1,318	991
Profit for the year	327	967

The company also owns the whole of the ordinary share capital of Rea Metal Windows Limited and of Monk Metal Windows Limited, both companies incorporated in England. Both companies are dormant and the investment in both has been fully written off.

Group financial statements are not required as the group headed by Etna Street Investments Limited qualifies as a medium sized group, and therefore is exempt from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking only.

10. STOCKS

	31.3.03	31.3.02
	£	£
Raw materials	164,242	177,686
Work in progress	111,404	124,531
Long term contract work in progress	4,017,762	3,675,823
Payments on account	(3,547,247)	(3,433,194)
	746,161	544,846

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.03	31.3.02
	£	£
Trade debtors	282,452	245,993
Prepayments	29,371	24,662
	311,823	270,655

FEDERATED WINDOWS & DOORS LTD

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

**12. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.03	31.3.02
	£	£
Bank loans and overdrafts (see note 14)	-	21,448
Pension Scheme Loan (see note 14)	100,000	-
Trade creditors	271,919	249,054
Other creditors	14,585	8,819
Dividend proposed	100,000	-
Social security & other taxes	83,691	60,597
Taxation	251	2,424
Accrued expenses	134,444	60,033
	<u>704,890</u>	<u>402,375</u>

**13. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.3.03	31.3.02
	£	£
Pension Scheme Loan (see note 14)	<u>200,000</u>	<u>300,000</u>

14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.3.03	31.3.02
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	21,448
Pension Scheme Loan	<u>100,000</u>	-
	<u>100,000</u>	<u>21,448</u>

Amounts falling due between one and two years:

Pension Scheme Loan	<u>100,000</u>	<u>150,000</u>
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Amounts falling due between two and five years:

Pension Scheme Loan	<u>100,000</u>	<u>150,000</u>
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FEDERATED WINDOWS & DOORS LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.03	31.3.02
	£	£
Pension Scheme Loan	<u>300,000</u>	<u>300,000</u>

Included in creditors is £300,000 from Rea Windows Pension Scheme (2002 - £300,000) which is secured by a chattel mortgage over the company's plant and equipment and a debenture containing fixed and floating charges over the company's other assets.

There is an Unlimited Multilateral Company Guarantee dated 13 March 2001 in favour of other the companies in the group.

16. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.3.03	31.3.02
			£	£
160,000	Ordinary	£1	160,000	160,000
40,000	Cumulative 10% preference shares	£1	<u>40,000</u>	<u>40,000</u>
			<u>200,000</u>	<u>200,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.03	31.3.02
			£	£
106,875	Ordinary	£1	106,875	106,875
40,000	Cumulative 10% preference shares	£1	<u>40,000</u>	<u>40,000</u>
			<u>146,875</u>	<u>146,875</u>

17. SHARE PREMIUM

	31.3.03	31.3.02
	£	£
Brought forward	<u>113,075</u>	<u>113,075</u>

18. PENSION COMMITMENTS

The company operates a defined contribution scheme administered by Norwich Union. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the funds and amounted to £19,829 (2002 - £13,741).

The company also operates a separate money purchase scheme. The pension cost charge represents contributions payable by the company to the funds and amounted to £46,700 (2002 - £46,700).

19. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Etna Street Investments Limited a company incorporated in England.

FEDERATED WINDOWS & DOORS LTD

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.03	31.3.02
	£	£
Profit for the financial year	86,526	46,039
Dividends	(100,000)	-
	<hr/>	<hr/>
Net (reduction)/addition to shareholders' funds	(13,474)	46,039
Opening shareholders' funds	398,144	352,105
	<hr/>	<hr/>
Closing shareholders' funds	384,670	398,144
	<hr/>	<hr/>
Equity interests	384,670	398,144
	<hr/>	<hr/>