
MIDLAND ALLOY WINDOWS CO. LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006




Clement Keys
CHARTERED ACCOUNTANTS

MIDLAND ALLOY WINDOWS CO LIMITED

**INDEPENDENT AUDITORS' REPORT TO MIDLAND ALLOY WINDOWS CO LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts of Midland Alloy Windows Co Limited for the year ended 31 December 2006 set out on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special Auditors' report on abbreviated accounts in the United Kingdom' issued by the Auditing Practices Board. In accordance with that Bulletin 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 accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.



CLEMENT KEYS

Chartered Accountants
Registered Auditors

39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

30 October 2007

MIDLAND ALLOY WINDOWS CO LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible fixed assets	2	3,689,029	2,903,901
Fixed asset investments	3	-	100,000
		<u>3,689,029</u>	<u>3,003,901</u>
CURRENT ASSETS			
Debtors		740,705	547,392
Cash at bank		997,514	1,218,187
		<u>1,738,219</u>	<u>1,765,579</u>
CREDITORS , amounts falling due within one year		<u>(252,798)</u>	<u>(391,827)</u>
NET CURRENT ASSETS		<u>1,485,421</u>	<u>1,373,752</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,174,450</u>	<u>4,377,653</u>
PROVISIONS FOR LIABILITIES			
Deferred tax		(498,999)	(283,958)
NET ASSETS		<u>4,675,451</u>	<u>4,093,695</u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Revaluation reserve		2,028,842	1,195,145
Profit and loss account		2,646,509	2,898,450
SHAREHOLDERS' FUNDS		<u>4,675,451</u>	<u>4,093,695</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 30 October 2007



P Beirne
Director



M Beirne
Director

The notes on pages 3 to 6 form part of these financial statements

MIDLAND ALLOY WINDOWS CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of freehold land and in accordance with applicable accounting standards

In accordance with Section 248(1) of the Companies Act 1985, Midland Alloy Windows Co Limited is exempt from producing consolidated accounts

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold buildings	-	2%	straight line
Plant and equipment	-	15%	straight line

1.5 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.6 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 1985 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

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

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.9 Pensions

The company contributes to the personal pension plans of the directors

1.10 Leasing

Operating income is derived from investment properties. Income is credited to the profit and loss account on a straight line basis over the period of the lease

MIDLAND ALLOY WINDOWS CO LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

2 TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 1 January 2006	2,948,610
Revaluation surplus/(deficit)	782,601
At 31 December 2006	<u>3,731,211</u>
Depreciation	
At 1 January 2006	44,709
Charge for the year	48,569
On revalued assets	(51,096)
At 31 December 2006	<u>42,182</u>
Net book value	
At 31 December 2006	<u>3,689,029</u>
At 31 December 2005	<u>2,903,901</u>

The company rents out all of its fixed assets under operating leases Included in tangible fixed assets above are investment properties with a net book value of £3,450,000 at the year end (2005 £2,622,690)

Cost or valuation at 31 December 2006 is as follows

	Land and buildings £
At cost	1,472,254
At valuation	
31 December 1995 - open market existing use basis	1,195,145
31 December 2006 - open market existing use basis	782,601
	<u>3,450,000</u>

The investment properties were revalued on 31 December 2006 by the directors on an open market existing use basis

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2006 £	2005 £
Cost	1,472,254	1,472,254
Accumulated depreciation	-	-
Net book value	<u>1,472,254</u>	<u>1,472,254</u>

MIDLAND ALLOY WINDOWS CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

3 FIXED ASSET INVESTMENTS

	£
Cost or valuation	
At 1 January 2006	100,000
Disposals	(100,000)
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At 31 December 2006	-
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At 1 January 2006 Midland Alloy Limited, a company incorporated in England and Wales, was a wholly owned subsidiary. During the year the company restructured resulting in a section 110 demerger of Midland Alloy Limited.

4 SHARE CAPITAL

	2006 £	2005 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
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5 RELATED PARTY TRANSACTIONS

During the year the company received management charges of £140,000 (2005 - £240,000) and rental charges of £116,286 (2005 - £83,600) from Midland Alloy Limited. At the 31 December 2006 the company was owed £734,863 by Midland Alloy Limited (2005 - was due £543,833). At the start of the period Midland Alloy Limited was a subsidiary undertaking, as a result of a section 110 demerger the companies are now related by the common ownership of M Beirne and P Beirne.

6 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At 1 January 2006 was controlled by the directors who each owned 50% of the shares. At the year end the company is a wholly owned subsidiary of Windows Holdings Limited, a company incorporated in Great Britain. The group does not prepare group accounts. The directors control the group as they each hold 50% of the issued share capital in Windows Holdings Limited.