

THERMASEAL WINDOW SYSTEMS LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1999



THERMASEAL WINDOW SYSTEMS LIMITED

COMPANY INFORMATION

Directors

Mr G.P. Jerwood
Mrs D.B. Jerwood
Mr J.K. Prior
Mr D. Turner

Secretary

Mrs D.B. Jerwood

Company number

02196207

Registered office

374 London Road
Hadleigh, Benfleet
Essex
SS7 2DA

Auditors

John A. Sterry & Company
374 London Road
Hadleigh
Benfleet
Essex
SS7 2DA

Bankers

Barclays Bank Plc
59 Newland Street
Witham
Essex
CM8 2AJ

THERMASEAL WINDOW SYSTEMS LIMITED

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THERMASEAL WINDOW SYSTEMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1999

The directors present their report and the audited accounts for the company for the year ended 31st December 1999.

Principal activities

The company's principal activity during the year was the manufacture, sale and installation of double glazed windows and doors.

Directors and their interests

The directors who held office during the year were G.P.Jerwood, D.B.Jerwood, J.K.Prior and D.Turner. Their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 31st December 1999	At 1st January 1999
Mr G.P. Jerwood	Ordinary	9500	9500
Mrs D.B. Jerwood	Ordinary	500	500

Statement of 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 for that year. 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;

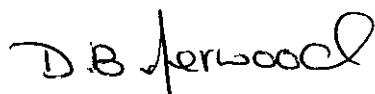
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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.

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



Mrs D.B. Jerwood, Secretary
15th September 2000

AUDITORS' REPORT TO THE SHAREHOLDERS OF THERMASEAL WINDOW SYSTEMS LIMITED

We have audited the accounts on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 made 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 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 the 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 31st December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

John A. Sterry & Company
Chartered Accountants and Registered Auditors
374 London Road
Hadleigh
Benfleet
Essex
SS7 2DA
Date: 15th September 2000



THERMASEAL WINDOW SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	1999 £	1998 £
Turnover	2	2,426,121	2,154,226
Cost of sales		(1,797,686)	(1,605,055)
Gross profit		628,435	549,171
Distribution costs		(8,202)	(9,263)
Administrative expenses		(549,838)	(478,367)
		70,395	61,541
Other operating income		2,518	2,934
Operating profit	3	72,913	64,475
Interest receivable		11,016	5,412
Interest payable and similar charges		(18)	(97)
Profit on ordinary activities before taxation		83,911	69,790
Tax on profit on ordinary activities	5	(16,923)	(15,096)
Profit for the financial year		66,988	54,694
Dividends	6	(15,000)	(15,000)
Retained profit for the year		51,988	39,694
Retained profit brought forward		393,531	353,837
Retained profit carried forward		445,519	393,531

There were no recognised gains or losses for 1999 or 1998 other than those included in the profit and loss account.

THERMASEAL WINDOW SYSTEMS LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1999

	Notes	£	1999 £	£	1998 £
Fixed assets					
Tangible assets	11		245,070		246,071
			<u>245,070</u>		<u>246,071</u>
Current assets					
Stocks		121,722		117,243	
Debtors	7	317,498		291,273	
Cash at bank and in hand		233,080		192,679	
		<u>672,300</u>		<u>601,195</u>	
Creditors: amounts falling due within one year	8	<u>(452,955)</u>		<u>(435,657)</u>	
Net current assets			<u>219,345</u>		<u>165,538</u>
Total assets less current liabilities			<u>464,415</u>		<u>411,609</u>
Provisions for liabilities and charges					
Deferred taxation	9		<u>(8,896)</u>		<u>(8,078)</u>
			<u>455,519</u>		<u>403,531</u>
Capital and reserves					
Share capital	10		10,000		10,000
Profit and loss account			<u>445,519</u>		<u>393,531</u>
Shareholders' funds			<u>455,519</u>		<u>403,531</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 1999).

These accounts were approved by the board on 15th September 2000 and signed on its behalf by:

Mr G.P. Jerwood
Director



THERMASEAL WINDOW SYSTEMS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, with the exception of freehold land, by reducing balance method over their expected useful lives:

Plant and machinery	25%
Motor vehicles	25%
Furniture and equipment	25%

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Contribution to pension funds

The company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating profit

The operating profit is stated after charging or crediting:

	1999	1998
	£	£
Depreciation of tangible fixed assets:		
-owned assets	60,060	53,434
Loss on disposal of fixed assets	5,618	(975)
Auditors' remuneration	9,185	7,800

THERMASEAL WINDOW SYSTEMS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

4 Directors' remuneration

	1999	1998
	£	£
Aggregate emoluments	129,166	127,414

5 Taxation

	1999	1998
	£	£
Based on the profit for the year:		
UK corporation tax at 20%/21% (1998: 21%)	15,954	13,884
Deferred tax charge	818	1,212
	16,772	15,096
Prior periods		
UK corporation tax	151	-
	16,923	15,096

6 Dividends

	1999	1998
	£	£
Ordinary dividends - paid	15,000	15,000
Total equity dividends	15,000	15,000

7 Debtors

	1999	1998
	£	£
Trade debtors	207,828	191,460
Other debtors	109,670	99,813
	317,498	291,273

8 Creditors: amounts falling due within one year

	1999	1998
	£	£
Trade creditors	367,537	279,669
Other creditors	55,385	94,194
Directors' loans (Note 13)	30,033	61,794
	452,955	435,657

'Other creditors' include £39,731 (1998: £42,071) in respect of taxation and social security.

THERMASEAL WINDOW SYSTEMS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

9 Deferred taxation

The movements in deferred taxation during the current and previous years are as follows:

	1999	1998
	£	£
At 1st January 1999	8,078	-
Movement in the year	818	1,212
At 31st December 1999	<u>8,896</u>	<u>8,078</u>

10 Share capital

Allotted and Authorised

- Allotted, called up and fully paid ordinary shares of £1 each

1999	1998
£	£
<u>10,000</u>	<u>10,000</u>
<u>10,000</u>	<u>10,000</u>

11 Tangible fixed assets

	Short leasehold land and buildings	Plant and machinery	Motor vehicles	Furniture and equipment	Total
	£	£	£	£	£
Cost					
At 1st January 1999	40,000	241,462	137,091	81,416	499,969
Additions	-	55,324	7,802	4,901	68,027
Disposals	-	-	(10,375)	(44,909)	(55,284)
At 31st December 1999	<u>40,000</u>	<u>296,786</u>	<u>134,518</u>	<u>41,408</u>	<u>512,712</u>
Depreciation					
At 1st January 1999	13,333	135,066	52,573	52,926	253,898
Charge for the year	2,667	27,819	22,088	7,486	60,060
Disposals	-	-	(7,269)	(39,047)	(46,316)
At 31st December 1999	<u>16,000</u>	<u>162,885</u>	<u>67,392</u>	<u>21,365</u>	<u>267,642</u>
Net book value					
At 31st December 1999	<u>24,000</u>	<u>133,901</u>	<u>67,126</u>	<u>20,043</u>	<u>245,070</u>
At 31st December 1998	<u>26,667</u>	<u>106,396</u>	<u>84,518</u>	<u>28,490</u>	<u>246,071</u>

THERMASEAL WINDOW SYSTEMS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

12 Related parties

In the directors' opinion the company is controlled by Mr G.P.Jerwood,a director,and members of his close family with whom he directly or indirectly controls 100% of the issued Ordinary Share capital.

During the year the company purchased/sold goods in the normal course of business from/to Thermaseal Investments Limited which is a company controlled by Mr G.P. Jerwood, at a cost of £72,368 (1998: £43,368). Amounts owed to/by Thermaseal Investments Limited amounted to £90,176 31st December 1999 (1998: £89,826)

During the year the company purchased/sold goods in the normal course of business from/to Image Window Systems Limited which is a company controlled by Mr G.P. Jerwood, at a cost of £19,141 (1998: £nil). Amounts owed to/by Image Window Systems Limited amounted to £22,021 31st December 1999 (1998:£nil)

Details of transactions with other related parties are disclosed in the transactions with directors note.

13 Transactions with directors

During the course of the year Mr G.P.Jerwood purchased from the business goods to the value of £6574,a transaction completed under normal terms of trade.