

Anglian Window Centres Limited

Financial statements for the period ended

1st April 2006

Registered number 2559052



Anglian Window Centres Limited

Financial statements
for the period ended 1st April 2006

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Anglian Window Centres Limited

Report of the directors

The directors submit their report and the audited financial statements for the 52 week period ended 1st April 2006.

Principal activities and business review

The principal activity of the company is to telephone canvass for potential customers for fellow group companies. Although it is remunerated on a cost plus 2% basis, its profitability is determined largely by the demand for its services.

This demand is governed in part by consumer demand for home improvement products but more importantly, in recent years, it has been affected by the introduction of the Telephone Preference System. Under this scheme over twelve million numbers have opted not to receive calls from companies selling goods and services without their prior agreement (April 2005 7.9million). The number of available customers to call has therefore reduced and thus the company has reduced staff numbers and costs (and thus revenue) to reflect the decreased activity levels.

Results and dividends

The results for the period are detailed in the profit and loss account on page 5. As noted above the fall in profitability has arisen because of the reduced number of potential homes to call. The directors do not recommend a dividend (2005: £Nil).

Directors and their interests

The directors who served during the period were as follows.

T G Conway
P S Tweedie

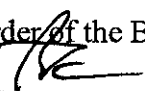
None of the directors holding office at 1st April 2006 had any interest in the shares of the company at the period end. The directors holding office at the period end are also directors of the ultimate parent undertaking and have declared their interests in the accounts of Naiglan (Holdings) Limited.

Employees

The group attaches considerable importance to keeping its employees informed of matters affecting their jobs and the progress of the business. Group communications contribute towards this purpose and are supported by various other in-house publications. The group maintains a close dialogue with its employee representatives on all matters concerning the employees' working environment.

The group gives sympathetic consideration to the employment of disabled people. If existing employees become disabled (whether from illness or accident) every reasonable effort is made to continue to provide suitable employment either in the same job or, after re-training, in an alternative role. Disabled people are given equal consideration for training, career development and opportunities for promotion within the group.

By Order of the Board


B J Chappell
COMPANY SECRETARY
Norwich

26 July 2006

Anglian Window Centres Limited

Director's responsibilities for preparation of the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Anglian Window Centres Limited

Independent auditors' report to the members of Anglian Window Centres Limited

We have audited the financial statements of Anglian Window Centres Limited for the period ended 1 April 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK 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. We also 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 judgments 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.

Anglian Window Centres Limited

Independent auditors' report to the members of Anglian Window Centres Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 1 April 2006 and of its profit for the period 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.

KPMG Audit Plc

27 Aug 2006

KPMG Audit Plc
Chartered Accountants
Ipswich
Registered Auditor

Anglian Window Centres Limited

Profit and loss account
for the period ended 1st April 2006

| | Notes | 52 Weeks to 1 st April 2006 £ | 52 Weeks to 2 nd April 2005 £ |
|--|-------|---|---|
| Turnover | 2 | 7,699,915 | 9,879,104 |
| Operating costs (net) | 3 | (7,548,936) | (9,685,396) |
| | | <hr/> | <hr/> |
| Profit on ordinary activities before taxation | | 150,979 | 193,708 |
| Taxation | 5 | (45,294) | (58,112) |
| | | <hr/> | <hr/> |
| Retained profit for the financial period | 8 | 105,685 | 135,596 |
| | | <hr/> | <hr/> |

The results for the period are entirely attributable to continuing activities.

All recognised gains and losses are included in the profit and loss accounts above.

The notes on pages 7 to 10 form part of these financial statements.

Anglian Window Centres Limited

Balance sheet
at 1st April 2006

| | Notes | 1 st April 2006 £ | 2 nd April 2005 £ |
|--|-------|------------------------------------|------------------------------------|
| Current Assets | | | |
| Debtors – | | | |
| Amounts due from parent undertaking | | 981,244 | 928,545 |
| Creditors – Amounts falling due within one year | 6 | (141,528) | (194,514) |
| Net assets | | <u>839,716</u> | <u>734,031</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 2 | 2 |
| Profit and loss account | 8 | 839,714 | 734,029 |
| Equity shareholders funds | 9 | <u>839,716</u> | <u>734,031</u> |

Director



Approved by the director on

26 July 2006

The notes on pages 7 to 10 form part of these financial statements.

Anglian Window Centres Limited

Notes to the financial statements for the period ended 1st April 2006

1. Accounting policies

a) *Basis of accounting*

These financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

A cash flow statement has not been presented as the directors have elected to take advantage of the exemption available to wholly owned subsidiary undertakings, as conferred by FRS 1.

In accordance with the exemption available under paragraph 3(c) of FRS 8, transactions with entities that are part of the Naiglan (Holdings) Limited group are not disclosed.

b) *Leased assets*

Rentals payable under operating leases are charged to the profit and loss account as incurred over the lease term.

c) *Taxation*

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

d) *Turnover*

Turnover net of value added tax represents the invoiced value of services supplied, recognised when the lead has been confirmed.

2. Turnover and profit before taxation

Turnover has not been analysed by geographical markets as no amounts arise outside the United Kingdom.

Anglian Window Centres Limited

Notes to the financial statements (*continued*)
for the period ended 1st April 2006

3. Operating costs (net)

| | 52 weeks to 1 st April 2006 £ | 52 weeks to 2 nd April 2005 £ |
|-------------------------------------|---|---|
| Staff costs (note 4) | 6,925,018 | 8,946,816 |
| Other operating charges | 623,918 | 738,580 |
| | <hr/> 7,548,936 | <hr/> 9,685,396 |
| Other operating charges include: | | |
| Auditors' remuneration – audit work | <hr/> 1,500 | <hr/> 1,500 |

4. Staff costs

| | 52 weeks to 1 st April 2006 Number | 52 weeks to 2 nd April 2005 Number |
|--|--|--|
| i) <i>Employees</i> | | |
| Average weekly number of employees during the period | 613 | 850 |
| | <hr/> | <hr/> |
| Costs during the period: | £ | £ |
| Wages and salaries | 6,589,194 | 8,489,836 |
| Social security costs | 335,824 | 456,980 |
| | <hr/> 6,925,018 | <hr/> 8,946,816 |
| ii) <i>Directors' remuneration</i> | | |
| No emoluments were paid by the company to the directors. | | |

Anglian Window Centres Limited

Notes to the financial statements *(continued)*
for the period ended 1st April 2006

5. Taxation

| | 1 st April 2006 £ | 2 nd April 2005 £ |
|---|------------------------------------|------------------------------------|
| Profit on ordinary activities before tax | 150,979 | 193,708 |
| United Kingdom corporation tax based on the profit for the period at 30% (2005: 30%) | 45,294 | 58,112 |

6. Creditors – Amounts falling due within one year

| | 1 st April 2006 £ | 2 nd April 2005 £ |
|------------------------------------|------------------------------------|------------------------------------|
| Other taxation and social security | 96,234 | 136,402 |
| Corporation tax | 45,294 | 58,112 |
| | 141,528 | 194,514 |

7. Share capital

| | 1 st April 2006 £ | 2 nd April 2005 £ |
|--|------------------------------------|------------------------------------|
| Authorised 1,000 ordinary shares of £1 each | 1,000 | 1,000 |
| Allotted, issued, called up and fully paid 2 ordinary shares of £1 each | 2 | 2 |

8. Profit and loss account

| | 1 st April 2006 £ | 2 nd April 2005 £ |
|--------------------------------|------------------------------------|------------------------------------|
| At 2 nd April 2005 | 734,029 | 598,433 |
| Retained profit for the period | 105,685 | 135,596 |
| At 1st April 2006 | 839,714 | 734,029 |

Anglian Window Centres Limited

Notes to the financial statements *(continued)*
for the period ended 1st April 2006

9. Reconciliation of movements in equity shareholders funds

| | 1 st April 2006 £ | 2 nd April 2005 £ |
|------------------------------------|------------------------------------|------------------------------------|
| Profit for the period | 105,685 | 135,596 |
| Opening equity shareholders funds | 734,031 | 598,435 |
| Closing equity shareholders' funds | <u>839,716</u> | <u>734,031</u> |

10. Contingent liabilities

The company, its fellow subsidiaries and their ultimate parent undertakings have given guarantees and debentures (which contain fixed and floating charges over all the business assets) in respect of any indebtedness to Barclays Leveraged Finance and the Royal Bank of Scotland. The directors do not expect any loss to arise in respect of these guarantees.

As a consequence of the capital consolidation, the company has entered into guarantees with its principal bankers to safeguard the interests of its creditors.

11. Ultimate parent undertaking

The ultimate parent undertaking is Naiglan (Holdings) Limited, a company registered in England. Copies of its accounts may be obtained from Naiglan (Holdings) Limited, Anson Road, Norwich, Norfolk, NR6 6EJ.

12. Ultimate controlling party

90% of the issued share capital of the ultimate parent undertaking, Naiglan (Holdings) Limited, is held by Alchemy Partners Nominees Limited on behalf of investors in the Alchemy Investment Plan. The Alchemy Investment Plan is managed by Alchemy Partners (Guernsey) Limited.