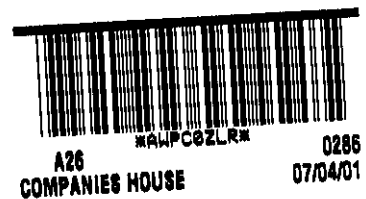


Company Registration No. 2747652 (England and Wales)

THE ISAACS GLASS COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000



THE ISAACS GLASS COMPANY LIMITED

COMPANY INFORMATION

Directors	H A Isaacs J Jones A Baldock
Secretary	H A Isaacs
Company number	2747652
Registered office	Farley Court Allsop Place London NW1 5LG
Auditors	Fisher, Sassoon & Marks Farley Court Allsop Place London NW1 5LG
Business address	Unit 20 Greenwich Industrial Estate 159 Greenwich High Road London SE10 8JF
Bankers	National Westminster Bank plc Beckton Branch 15 Mary Rose Mall Frobisher Road London E6 4LU

THE ISAACS GLASS COMPANY LIMITED

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THE ISAACS GLASS COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2000

The directors present their report and financial statements for the year ended 30 September 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of glazing contractors..

The results for the year and the company's financial position were satisfactory in the year of recovery.

Results and dividends

The results for the year are set out on page 4.

Year 2000

We have identified the key risks to the business and have developed a plan to minimise their impact. We have considered not only our own systems but also those of our major suppliers and customers. Although no organisation can guarantee that no year 2000 problems will arise, we believe that, having identified and removed the major risks to the business in accordance with the plan we have developed, it will be possible to quickly resolve any such problems as may arise without significant additional costs.

Directors

The following directors have held office since 1 October 1999:

H A Isaacs

J Jones

A Baldock

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2000	1 October 1999
H A Isaacs	1,275	1,275
J Jones	1,200	1,200
A Baldock	1,250	1,250

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Fisher, Sassoon & Marks be reappointed as auditors of the company will be put to the Annual General Meeting.

THE ISAACS GLASS COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

On behalf of the board



H A Isaacs
Director

22 February 2001

THE ISAACS GLASS COMPANY LIMITED

AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE ISAACS GLASS COMPANY LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

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

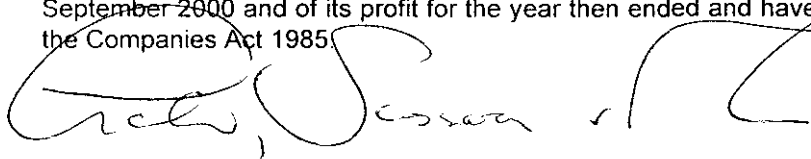
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Fisher, Sassoon & Marks

22 February 2001

Chartered Accountants
Registered Auditor

Farley Court
Allsop Place
London
NW1 5LG

THE ISAACS GLASS COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2000

	Notes	2000 £	1999 £
Turnover	2	784,622	999,043
Cost of sales		(552,906)	(810,925)
Gross profit		231,716	188,118
Administrative expenses		(225,233)	(221,195)
Operating profit/(loss)	3	6,483	(33,077)
Other interest receivable and similar income		3,461	3,436
Interest payable and similar charges	4	(1,361)	(790)
Profit/(loss) on ordinary activities before taxation		8,583	(30,431)
Tax on profit/(loss) on ordinary activities	5	(487)	1,400
Profit/(loss) on ordinary activities after taxation	13	8,096	(29,031)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Notes forming part of these financial statements appear on pages 6 to 12.

THE ISAACS GLASS COMPANY LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed Assets					
Tangible assets	6		22,175		20,869
Current Assets					
Stocks and Work in Progress	7	7,195		6,697	
Debtors	8	185,718		400,611	
Cash at bank and in hand		74,360		36,913	
		<u>267,273</u>		<u>444,221</u>	
Creditors: amounts falling due within one year	9	<u>(113,190)</u>		<u>(299,583)</u>	
Net Current Assets			154,083		144,638
Total Assets Less Current Liabilities			<u>176,258</u>		<u>165,507</u>
Creditors: amounts falling due after more than one year	10		(2,813)		(158)
			<u>173,445</u>		<u>165,349</u>
Capital and Reserves					
Called up share capital	12		5,000		5,000
Profit and loss account	13		168,445		160,349
Shareholders' Funds	14		<u>173,445</u>		<u>165,349</u>

The financial statements were approved by the Board on 22 February 2001

J Jones
Director 

A Baldock
Director 

Notes forming part of these financial statements appear on pages 6 to 12.

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for work done, goods and services supplied net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions paid by the company during the year.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit/(loss)	2000	1999
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	4,545	5,044
Operating lease rentals	12,980	12,982
Auditors' remuneration	8,500	7,200

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

4	Interest payable	2000 £	1999 £
	Hire purchase interest	1,361	790
5	Taxation	2000 £	1999 £
	U.K. current year taxation		
	U.K. corporation tax at 20% (1999 - 21%)	520	-
	Prior years		
	U.K. corporation tax	(33)	(1,400)
		487	(1,400)

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

6 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 1999	3,575	11,882	30,453	45,910
Additions	-	3,916	8,500	12,416
Disposals	-	(1,428)	(17,053)	(18,481)
At 30 September 2000	3,575	14,370	21,900	39,845
Depreciation				
At 1 October 1999	647	4,828	19,566	25,041
On disposals	-	(214)	(11,702)	(11,916)
Charge for the year	439	2,014	2,092	4,545
At 30 September 2000	1,086	6,628	9,956	17,670
Net book value				
At 30 September 2000	2,489	7,742	11,944	22,175
At 30 September 1999	2,928	7,054	10,887	20,869

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 September 2000	11,944
At 30 September 1999	10,887
Depreciation charge for the year	
30 September 2000	2,092
30 September 1999	3,629

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

7	Stocks and work in progress	2000	1999
		£	£
	Raw materials and consumables	4,355	5,238
	Work in progress	2,840	1,459
		<u>7,195</u>	<u>6,697</u>
8	Debtors	2000	1999
		£	£
	Trade debtors	175,186	396,454
	Corporation tax	-	1,354
	Other debtors	3,000	-
	Prepayments and accrued income	7,532	2,803
		<u>185,718</u>	<u>400,611</u>
9	Creditors: amounts falling due within one year	2000	1999
		£	£
	Provision	-	54,000
	Net obligations under finance lease and hire purchase contracts	3,958	1,900
	Trade creditors	52,588	178,444
	Corporation tax	520	-
	Other taxes and social security costs	27,209	27,137
	Other creditors	14,521	30,572
	Accruals and deferred income	14,394	7,530
		<u>113,190</u>	<u>299,583</u>

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

10 Creditors: amounts falling due after more than one year	2000 £	1999 £
Net obligations under hire purchase contracts	2,813	158
Net obligations under hire purchase contracts		
Repayable within one year	4,450	2,500
Repayable between one and five years	3,144	208
	7,594	2,708
Finance charges and interest allocated to future accounting periods	(824)	(650)
	6,770	2,058
Included in liabilities falling due within one year	(3,958)	(1,900)
	2,812	158

The obligations are secured against the related assets.

11 Pension costs

The company operates a defined contribution pension scheme. 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 fund and amounted to £11,562 (1999 - £17,611).

12 Share capital	2000 £	1999 £
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
Allotted, called up and fully paid		
5,000 Ordinary shares of £ 1 each	5,000	5,000

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 1999	160,349
Retained profit for the year	8,096
Balance at 30 September 2000	168,445

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

14 Reconciliation of movements in shareholders' funds	2000 £	1999 £
Profit/(Loss) for the financial year	8,096	(29,031)
Opening shareholders' funds	165,349	194,380
Closing shareholders' funds	173,445	165,349

15 Financial commitments

At 30 September 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2000 £	1999 £
Expiry date: Within one year	13,000	13,000

16 Directors' emoluments	2000 £	1999 £
Emoluments for qualifying services	112,350	127,691
Company pension contributions to money purchase schemes	11,562	17,611
	123,912	145,302

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (1999 - 3).

THE ISAACS GLASS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2000

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2000 Number	1999 Number
Glazing	10	10
Administration	4	4
	<u>14</u>	<u>14</u>

Employment costs

	£	£
Wages and salaries	278,884	352,467
Social security costs	31,039	37,203
Other pension costs	11,562	17,611
	<u>321,485</u>	<u>407,281</u>

18 Control

The company is controlled by H Isaacs by virtue of his shareholding and his interest in the estate of C Isaacs.