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Brook Design Hardware Limited

Abbreviated Accounts

for the year ended 28 October 2005

DEPARTMENT OF ENTERPRISE
TRADE AND INVESTMENT
COMPANIES REGISTRY
22 AUG 2006
COUNTER RECEIVED

Brook Design Hardware Limited

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Brook Design Hardware Limited

Directors' Report for the year ended 28 October 2005

The directors present their report and the accounts for the year ended 28 October 2005.

Principal Activity and Review of the Business

The principal activity of the company is the manufacture of window ventilation units.

Overall performance remained steady during the year and the directors consider the results for the year and the year end financial position to be satisfactory.

Results And Dividends

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

The directors do not recommend payment of a final dividend.

Research and Development

Research and development costs are written off in the year in which they are incurred.

Post Balance Sheet Events

On 3 November 2005 Brook Vent Manufacturing Limited was purchased by Brook Vent Holdings Limited. From this date Brook Vent Holdings Limited became the ultimate controlling party.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	2005	2004
William J Divers	-	-
W Andrew Dumican	-	-
William Gray	-	-
Helen Kirkpatrick	-	-

At 28 October 2005 Mr William Divers owned 90% of the shares in Brook Vent Manufacturing Limited which owned 100% of the issued share capital in Brook Design Hardware Limited.

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

Brook Design Hardware Limited

**Directors' Report
for the year ended 28 October 2005**

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 (Northern Ireland) Order 1986. 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.

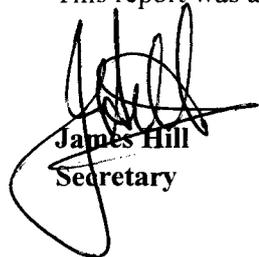
Auditors

McCleary & Company Limited resigned as auditors to the company on 3 November 2005 and Harbinson Mulholland were appointed auditors in their place. In accordance with Article 392 of the Companies (Northern Ireland) Order 1986, a resolution proposing their reappointment will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to medium-sized companies.

This report was approved by the Board on 24th Nov and signed on its behalf by

2006



James Hill
Secretary

**Auditors' Report to Brook Design Hardware Limited
under Article 255B of the Companies (Northern Ireland) Order 1986**

We have examined the abbreviated accounts set out on pages 4 to 16 together with the annual financial statements of Brook Design Hardware Limited for the year ended 28 October 2005 prepared under Article 234 of the Companies (Northern Ireland) Order 1986.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Article 254A of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Order to the registrar of companies and whether the accounts 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 considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 accounts prepared in accordance with Article 254A(3) of the Companies (Northern Ireland) Order 1986, and the abbreviated accounts on pages 4 to 16 are properly prepared in accordance with that provision.

Harbin Mulholland

Harbinson Mulholland
Chartered Accountants and
Registered Auditor
4 Bruce Street
Belfast

Date *31 March 2006*

Brook Design Hardware Limited

**Abbreviated Profit and Loss Account
for the year ended 28 October 2005**

		Continuing operations	
		2005	2004
	Notes	£	£
Gross profit		2,863,611	3,003,123
Distribution costs		(237,639)	(271,525)
Administrative expenses		(2,283,264)	(2,401,574)
Operating profit	2	<u>342,708</u>	<u>330,024</u>
Interest receivable and similar income	3	125,147	99,247
Interest payable and similar charges	4	<u>(23,998)</u>	<u>-</u>
Profit on ordinary activities before taxation		443,857	429,271
Tax on profit on ordinary activities	7	<u>(188,852)</u>	<u>(141,123)</u>
Profit on ordinary activities after taxation		255,005	288,148
Dividends		<u>-</u>	<u>-</u>
Retained profit for the year		<u><u>255,005</u></u>	<u><u>288,148</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

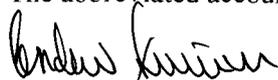
Brook Design Hardware Limited

**Balance Sheet
as at 28 October 2005**

	Notes	2005		2004	
		£	£	£	£
Fixed Assets					
Tangible assets	8		1,359,625		1,385,561
Current Assets					
Stocks	9	462,696		478,382	
Debtors	10	3,095,274		3,087,198	
Cash at bank and in hand		3,327,951		2,924,783	
		<u>6,885,921</u>		<u>6,490,363</u>	
Creditors: amounts falling due within one year	11	<u>(2,277,931)</u>		<u>(2,153,775)</u>	
Net Current Assets			<u>4,607,990</u>		<u>4,336,588</u>
Total Assets Less Current Liabilities			5,967,615		5,722,149
Provisions for Liabilities and Charges					
	12		-		(6,514)
Accruals and deferred income	13		<u>(9,046)</u>		<u>(12,071)</u>
Net Assets			<u>5,958,569</u>		<u>5,703,564</u>
Capital and Reserves					
Called up share capital	14		120,000		120,000
Profit and loss account			<u>5,838,569</u>		<u>5,583,564</u>
Equity Shareholders' Funds	15		<u>5,958,569</u>		<u>5,703,564</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 24 MAR 06 and signed on its behalf by



W Andrew Dumican
Director

Brook Design Hardware Limited

**Cash Flow Statement
for the year ended 28 October 2005**

	Notes	2005 £	2004 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		342,708	330,024
Depreciation		113,287	119,764
Decrease in stocks		15,686	(73,098)
Decrease in debtors		101,002	(71,405)
(Decrease) in creditors		(26,719)	360,416
Government grant released		(3,025)	(6,174)
Net cash inflow from operating activities		<u>542,939</u>	<u>659,527</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		542,939	659,527
Returns on investments and servicing of finance	19	101,149	99,247
Taxation	19	(153,569)	(94,604)
Capital expenditure	19	(87,351)	(30,260)
Increase in cash in the year		<u>403,168</u>	<u>633,910</u>

Reconciliation of net cash flow to movement in net funds (Note 20)

Increase in cash in the year		403,168	633,910
Net funds at 1 November 2004		<u>2,924,783</u>	<u>2,290,873</u>
Net funds at 28 October 2005		<u>3,327,951</u>	<u>2,924,783</u>

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 28 October 2005

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight Line over 25 years
Property renovations	-	20% Straight Line
Plant and machinery	-	25% Reducing Balance
Fixtures, fittings and equipment	-	15%, 25% & 33% Reducing Balance
Motor vehicles	-	33% Reducing Balance

1.5. Stock and work in progress

Stock of raw materials and factored goods are valued at the lower of cost and net realisable value on a FIFO basis. Manufactured goods and work in progress are valued at standard cost.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

Full 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.

Deferred taxation assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

1.9. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Operating profit	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	108,100	118,323
Loss on disposal of tangible fixed assets	5,187	1,441
Research and development		
- expenditure in current year	31,330	47,290
Auditors' remuneration	7,725	7,860
	<u> </u>	<u> </u>
and after crediting:		
Profit on foreign currencies	1,485	(605)
Amortisation of grants	3,025	6,174
Government grants	20,274	23,211
	<u> </u>	<u> </u>
3. Interest receivable and similar income	2005	2004
	£	£
Bank interest	125,147	99,247
	<u> </u>	<u> </u>
4. Interest payable and similar charges	2005	2004
	£	£
On overdue tax	23,998	-
	<u> </u>	<u> </u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

5. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	2005	2004
Directors & administrative	14	15
Production	38	39
Sales	5	7
	<u>57</u>	<u>61</u>

Employment costs

	2005	2004
	£	£
Wages and salaries (includes staff life assurance)	756,736	835,927
Social security costs	64,905	73,423
Other pension costs	15,530	16,340
	<u>837,171</u>	<u>925,690</u>

6. Pension costs

The company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £15,530 (2004 - £16,340).

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

7. Tax on profit on ordinary activities

Analysis of charge in period	2005	2004
	£	£
Current tax		
UK corporation tax	145,703	148,564
Prior period adjustments	158,741	-
Total current tax charge	<u>304,444</u>	<u>148,564</u>
Deferred tax		
Timing differences, origination and reversal	(115,592)	(7,441)
Total deferred tax	<u>(115,592)</u>	<u>(7,441)</u>
Tax on profit on ordinary activities	<u>188,852</u>	<u>141,123</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30.00 per cent). The differences are explained below:

	2005	2004
	£	£
Profit on ordinary activities before taxation	<u>443,857</u>	<u>429,271</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30.00% (2004 : 29.98%)	133,157	128,677
Effects of:		
Expenses not deductible for tax purposes	9,505	278
Capital allowances for period in excess of depreciation	4,235	21,770
Adjustments to tax charge in respect of previous periods	158,741	-
Other allowable deductions	(833)	(2,161)
Marginal relief	(361)	-
Current tax charge for period	<u>304,444</u>	<u>148,564</u>

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005

..... continued

8. Tangible fixed assets

	Land and buildings freehold	Property renovations	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 November 2004	1,263,583	48,768	675,028	247,392	62,038	2,296,809
Additions	-	-	31,749	20,798	47,134	99,681
Disposals	-	-	(3,219)	(23,225)	(39,747)	(66,191)
At 28 October 2005	<u>1,263,583</u>	<u>48,768</u>	<u>703,558</u>	<u>244,965</u>	<u>69,425</u>	<u>2,330,299</u>
Depreciation						
At 1 November 2004	69,055	48,691	581,280	178,945	33,277	911,248
On disposals	-	-	(3,063)	(21,891)	(23,720)	(48,674)
Charge for the year	34,524	77	36,541	19,527	17,431	108,100
At 28 October 2005	<u>103,579</u>	<u>48,768</u>	<u>614,758</u>	<u>176,581</u>	<u>26,988</u>	<u>970,674</u>
Net book values						
At 28 October 2005	<u>1,160,004</u>	<u>-</u>	<u>88,800</u>	<u>68,384</u>	<u>42,437</u>	<u>1,359,625</u>
At 1 November 2004	<u>1,194,528</u>	<u>77</u>	<u>93,748</u>	<u>68,447</u>	<u>28,761</u>	<u>1,385,561</u>

On 26 October 2005 land and buildings were valued by Campbell Cairns at a market value of £1,750,000.

9. Stocks

	2005 £	2004 £
Raw materials and consumables	250,817	266,785
Work in progress	71,425	82,784
	<u>322,242</u>	<u>349,569</u>
Finished goods and goods for resale	140,454	128,813
	<u>462,696</u>	<u>478,382</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

10. Debtors	2005	2004
	£	£
Trade debtors	1,018,089	1,044,029
Amounts owed by group undertakings	1,923,434	1,923,513
Other debtors	10,530	85,398
Prepayments and accrued income	34,143	34,258
Deferred tax	109,078	-
	<u>3,095,274</u>	<u>3,087,198</u>

Amounts owed by group undertaking has been reclassified from fixed asset investment in the prior year. The comparatives have been re-stated to reflect this.

Amounts falling due after more than one year and included in debtors are:

Amounts owed by group undertaking	<u>-</u>	<u>1,923,203</u>
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11. Creditors: amounts falling due within one year	2005	2004
	£	£
Trade creditors	215,165	186,106
Amounts owed to group undertaking	1,686,918	1,726,461
Corporation tax	150,875	-
Other taxes and social security costs	124,674	157,399
Other creditors	59,848	66,849
Accruals and deferred income	40,451	16,960
	<u>2,277,931</u>	<u>2,153,775</u>

The First Trust Bank held a fixed and floating charge on the company's assets, a letter of set off on behalf of Brook Plastics and Engineering Limited, Brook Design Hardware Limited and Brook Vent Manufacturing Limited. They also held letters of guarantee totalling £2,440,000 on behalf of Brook Design Hardware Limited for the obligations of Brook Plastics and Engineering Limited and Brook Vent Manufacturing Limited.

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

12. Provision for deferred taxation

	2005	2004
	£	£
Accelerated capital allowances	6,512	10,843
Other timing differences	(115,590)	(4,329)
Reanalyse to deferred tax asset balance	109,078	-
Undiscounted provision for deferred tax	<u>-</u>	<u>6,514</u>
Provision at 1 November 2004	6,514	
Deferred tax charge in profit and loss account	(115,592)	
Reanalyse to deferred tax asset balance	109,078	
Provision at 28 October 2005	<u>-</u>	

13. Accruals and deferred income

	2005	2004
	£	£
Government grants		
At 1 November 2004	12,071	3,979
Increase in year	-	14,266
	<u>12,071</u>	<u>18,245</u>
Released in year	(3,025)	(6,174)
At 28 October 2005	<u>9,046</u>	<u>12,071</u>

14. Share capital

	2005	2004
	£	£
Authorised equity		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid equity		
120,000 Ordinary shares of £1 each	<u>120,000</u>	<u>120,000</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

15. Reconciliation of movements in shareholders' funds

	2005	2004
	£	£
Profit for the year	255,005	288,148
Opening shareholders' funds	5,703,564	5,415,416
	<u>5,958,569</u>	<u>5,703,564</u>

16. Capital commitments

	2005	2004
	£	£
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>12,054</u>	<u>-</u>

17. Ultimate parent undertaking

The company was a wholly owned subsidiary of Brook Vent Manufacturing Limited for the entire year. The registered office of Brook Vent Manufacturing Limited is Brook House, Dunmurry Industrial Estate, Dunmurry, Belfast, BT17 9HU. Mr William Divers owned 90% of the share capital in Brook Vent Manufacturing Limited. Following the year end the ultimate controlling party changed as detailed in the post balance sheet event note (see note 18).

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 28 October 2005

..... continued

18. Post Balance Sheet events

On 3 November 2005 a dividend of £1,923,203 was declared by the company, this was used to reduce the inter-company loan due from Brook Vent Manufacturing Limited to nil.

On 3 November 2005 Brook Vent Manufacturing Limited was purchased by Brook Vent Holdings Limited. From this date Brook Vent Holdings Limited became the ultimate controlling party.

On 3 November 2005 Brook Design Hardware Limited made a loan of £2,898,340 to Brook Vent Holdings Limited.

On 3 November 2005 there was a reorganisation of the group structure whereby Brook Vent Manufacturing Limited transferred its shares in Brook Design Hardware to Brook Vent Holdings Limited.

19. Gross Cash Flows

	2005	2004
	£	£
Returns on investments and servicing of finance		
Interest received	125,147	99,247
Interest paid	(23,998)	-
	<u>101,149</u>	<u>99,247</u>
Taxation		
Corporation tax paid	(153,569)	(94,604)
Capital expenditure		
Payments to acquire tangible assets	(99,681)	(53,197)
Receipts from sales of tangible assets	12,330	8,671
Receipt of grant	-	14,266
	<u>(87,351)</u>	<u>(30,260)</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 28 October 2005**

..... continued

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	2,924,783	403,168	3,327,951
Net funds	<u>2,924,783</u>	<u>403,168</u>	<u>3,327,951</u>