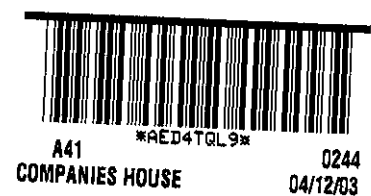


Company Registration No. 2769278 (England and Wales)

PRENTICE GLASS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

CARTWRIGHTS
Chartered Accountants
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE



PRENTICE GLASS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | Mr R Mannell Mr J Malynn Mrs J Mannell Mrs J Malynn |
| Secretary | Mrs J Malynn |
| Company number | 2769278 |
| Registered office | Unit B 10 Waterside Way London SW17 0HB |
| Auditors | Cartwrights Chartered Accountants Registered Auditors Regency House 33 Wood Street Barnet EN5 4BE |
| Business address | Unit B 10 Waterside Way London SW17 0HB |
| Bankers | Lloyds Bank plc 12/13 South Side Clapham London SW4 7AD |

PRENTICE GLASS LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Directors' report | 1 - 2 |
| Independent auditors' report | 3 |
| Profit and loss account | 4 |
| Balance sheet | 5 |
| Notes to the financial statements | 6 - 13 |

PRENTICE GLASS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report and financial statements for the year ended 31 March 2003.

Principal activities

The principal activities of the company in the year under review were that of supplying glass and glazing contracting.

Directors

The following directors have held office since 1 April 2002:

Mr R Mannell
Mr J Malynn
Mrs J Mannell
Mrs J Malynn

Directors' interests

The directors in office in the year and their beneficial interests in the ultimate parent company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

| | Ordinary shares of £ 1 each | |
|---------------|-----------------------------|--------------|
| | 31 March 2003 | 1 April 2002 |
| Mr R Mannell | 257 | 257 |
| Mr J Malynn | 233 | 233 |
| Mrs J Mannell | 243 | 243 |
| Mrs J Malynn | 267 | 267 |

Auditors

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

PRENTICE GLASS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

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;
- 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 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.

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

On behalf of the board


.....
Mrs J Malynn
Director
20.11.03

PRENTICE GLASS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRENTICE GLASS LIMITED

We have audited the financial statements of Prentice Glass Limited on pages 4 to 13 for the year ended 31 March 2003. These financial statements have been prepared under the historical cost convention and 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 the 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 United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company 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 United Kingdom 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 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Cartwrights

Chartered Accountants

Registered Auditor

Regency House

33 Wood Street

Barnet

EN5 4BE

Date: 21.11.03

PRENTICE GLASS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

| | Notes | 2003 £ | 2002 £ |
|--|-----------|-----------|-----------|
| Turnover | | 1,310,142 | 770,188 |
| Cost of sales | | (580,999) | (276,168) |
| Gross profit | | 729,143 | 494,020 |
| Administrative expenses | | (565,049) | (440,009) |
| Operating profit | 2 | 164,094 | 54,011 |
| Other interest receivable and similar income | | 6 | 60 |
| Interest payable and similar charges | 3 | (6,697) | (9,799) |
| Profit on ordinary activities before taxation | | 157,403 | 44,272 |
| Tax on profit on ordinary activities | 4 | (33,419) | 1,890 |
| Profit on ordinary activities after taxation | | 123,984 | 46,162 |
| Dividends | 5 | (88,972) | - |
| Retained profit for the year | 12 | 35,012 | 46,162 |

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.

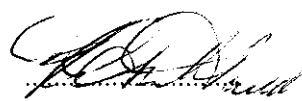
PRENTICE GLASS LIMITED

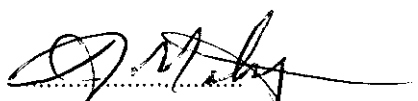
BALANCE SHEET AS AT 31 MARCH 2003

| | Notes | 2003 £ | 2002 £ |
|--|-------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 6 | 93,922 | 117,873 |
| Current assets | | | |
| Stocks | | 30,418 | 30,741 |
| Debtors | 7 | 440,041 | 202,115 |
| Cash at bank and in hand | | 450 | 450 |
| | | <u>470,909</u> | <u>233,306</u> |
| Creditors: amounts falling due within one year | 8 | <u>(351,234)</u> | <u>(118,266)</u> |
| Net current assets | | <u>119,675</u> | <u>115,040</u> |
| Total assets less current liabilities | | <u>213,597</u> | <u>232,913</u> |
| Creditors: amounts falling due after more than one year | 9 | (22,519) | (81,732) |
| Provisions for liabilities and charges | 10 | <u>(4,885)</u> | <u>-</u> |
| | | <u>186,193</u> | <u>151,181</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 100,100 | 100,100 |
| Profit and loss account | 12 | 86,093 | 51,081 |
| Shareholders' funds | 13 | <u>186,193</u> | <u>151,181</u> |
| Equity interests | | 86,193 | 51,181 |
| Non-equity interests | | 100,000 | 100,000 |
| | | <u>186,193</u> | <u>151,181</u> |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 20.11.03.


Mr R Mannell
Director


Mr J Malynn
Director

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

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 cash flow 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 goods and services 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:

| | |
|------------------------|-------------------|
| Leasehold improvements | 10% on cost |
| Plant and machinery | 10% - 33% on cost |
| Motor vehicles | 20% on cost |

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and 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 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its parent undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

| | | | |
|----------|--|-------------------|-------------------|
| 2 | Operating profit | 2003 | 2002 |
| | | £ | £ |
| | Operating profit is stated after charging: | | |
| | Depreciation of tangible assets | 28,378 | 28,837 |
| | Operating lease rentals | 38,452 | 24,890 |
| | Auditors' remuneration | 1,000 | 750 |
| | Directors' emoluments | 21,518 | 21,486 |
| | | <u> </u> | <u> </u> |
| 3 | Interest payable | 2003 | 2002 |
| | | £ | £ |
| | On bank loans and overdrafts | 6,116 | 8,109 |
| | Hire purchase interest | 539 | 1,690 |
| | On overdue tax | 42 | - |
| | | <u> </u> | <u> </u> |
| | | <u>6,697</u> | <u>9,799</u> |

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

| 4 | Taxation | 2003 £ | 2002 £ |
|---|---|-----------|-----------|
| | Domestic current year tax | | |
| | U.K. corporation tax | 26,638 | 6 |
| | Adjustment for prior years | 6 | (6) |
| | Current tax charge | 26,644 | - |
| | Deferred tax | | |
| | Deferred tax charge credit current year | 6,775 | (1,890) |
| | | 33,419 | (1,890) |
| | Factors affecting the tax charge for the year | | |
| | Profit on ordinary activities before taxation | 157,403 | 44,272 |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00 % (2002 : 10.00 %) | 29,907 | 4,427 |
| | Effects of: | | |
| | Non deductible expenses | 1,405 | 262 |
| | Depreciation add back | 6,161 | 2,884 |
| | Capital allowances | (3,043) | (2,557) |
| | Tax losses utilised | (7,792) | (5,010) |
| | Adjustments to previous periods | 6 | (6) |
| | | (3,263) | (4,427) |
| | Current tax charge | 26,644 | - |

The company has estimated losses of £ nil (2002 : £ 41,008) available for carry forward against future trading profits.

| 5 | Dividends | 2003 £ | 2002 £ |
|---|-----------------------|-----------|-----------|
| | Ordinary interim paid | 88,972 | - |

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

6 Tangible fixed assets

| | Leasehold improvements | Plant and machinery | Motor vehicles | Total |
|-----------------------|---------------------------|------------------------|----------------|---------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2002 | 28,080 | 97,237 | 96,836 | 222,153 |
| Additions | 152 | 4,274 | - | 4,426 |
| At 31 March 2003 | 28,232 | 101,511 | 96,836 | 226,579 |
| Depreciation | | | | |
| At 1 April 2002 | 2,686 | 42,320 | 59,274 | 104,280 |
| Charge for the year | 2,823 | 9,738 | 15,816 | 28,377 |
| At 31 March 2003 | 5,509 | 52,058 | 75,090 | 132,657 |
| Net book value | | | | |
| At 31 March 2003 | 22,723 | 49,453 | 21,746 | 93,922 |
| At 31 March 2002 | 25,394 | 54,917 | 37,562 | 117,873 |

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

| | Motor vehicles £ |
|---|------------------------|
| Net book values | |
| At 31 March 2003 | 7,050 |
| At 31 March 2002 | 9,613 |
| Depreciation charge for the year | |
| 31 March 2003 | 2,563 |
| 31 March 2002 | 3,205 |

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

| 7 | Debtors | 2003 | 2002 |
|---|---|----------------|----------------|
| | | £ | £ |
| | Trade debtors | 424,851 | 156,439 |
| | Amounts owed by group undertakings and undertakings in which the company has a participating interest | - | 30,554 |
| | Other debtors | 15,190 | 13,232 |
| | Deferred tax asset (see note 10) | - | 1,890 |
| | | <u>440,041</u> | <u>202,115</u> |
| 8 | Creditors: amounts falling due within one year | 2003 | 2002 |
| | | £ | £ |
| | Bank loans and overdrafts | 68,301 | 41,622 |
| | Net obligations under hire purchase contracts | 3,316 | 3,980 |
| | Trade creditors | 176,835 | 39,699 |
| | Amounts owed to group undertakings and undertakings in which the company has a participating interest | 29,481 | - |
| | Taxation and social security | 59,607 | 18,740 |
| | Other creditors | 13,694 | 14,225 |
| | | <u>351,234</u> | <u>118,266</u> |
| | Debt due in one year or less | <u>13,800</u> | <u>17,400</u> |

The bank loan and overdraft is secured by a fixed and floating charge over the assets of the company and its holding company, R A Prentice Limited.

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

| 9 Creditors: amounts falling due after more than one year | 2003 | 2002 |
|--|---------------|---------------|
| | £ | £ |
| Bank loans | 22,519 | 78,416 |
| Net obligations under hire purchase contracts | - | 3,316 |
| | <u>22,519</u> | <u>81,732</u> |
| Analysis of loans | | |
| Wholly repayable within five years | 36,319 | 95,816 |
| Included in current liabilities | (13,800) | (17,400) |
| | <u>22,519</u> | <u>78,416</u> |
| Loan maturity analysis | | |
| In more than one year but not more than two years | 11,503 | 17,400 |
| In more than two years but not more than five years | 11,016 | 37,280 |
| In more than five years | - | 23,737 |
| | <u>11,503</u> | <u>78,416</u> |
| The loan is secured by a fixed and floating charge over the assets of the company and its holding company, R A Prentice and Company Limited. | | |
| Net obligations under hire purchase contracts | | |
| Repayable within one year | 3,766 | 5,058 |
| Repayable between one and five years | - | 4,215 |
| | <u>3,766</u> | <u>9,273</u> |
| Finance charges and interest allocated to future accounting periods | (450) | (1,977) |
| | <u>3,316</u> | <u>7,296</u> |
| Included in liabilities falling due within one year | (3,316) | (3,980) |
| | <u>-</u> | <u>3,316</u> |

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

10 Provisions for liabilities and charges

| | Deferred tax liability £ |
|--------------------------|--------------------------------|
| Balance at 1 April 2002 | (1,890) |
| Profit and loss account | 6,775 |
| | <hr/> |
| Balance at 31 March 2003 | 4,885 |
| | <hr/> <hr/> |

The deferred tax liability is made up as follows:

| | 2003 £ | 2002 £ |
|--------------------------------|-------------|-------------|
| Accelerated capital allowances | 4,885 | 6,228 |
| Tax losses available | - | (8,118) |
| | <hr/> | <hr/> |
| | 4,885 | (1,890) |
| | <hr/> <hr/> | <hr/> <hr/> |

11 Share capital

| | 2003 £ | 2002 £ |
|---|-------------|-------------|
| Authorised | | |
| 100 Ordinary shares of £ 1 each | 100 | 100 |
| 100,000 Preference shares of £ 1 each | 100,000 | 100,000 |
| | <hr/> | <hr/> |
| | 100,100 | 100,100 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Allotted, called up and fully paid | | |
| 100 Ordinary shares of £ 1 each | 100 | 100 |
| 100,000 Preference shares of £ 1 each | 100,000 | 100,000 |
| | <hr/> | <hr/> |
| | 100,100 | 100,100 |
| | <hr/> <hr/> | <hr/> <hr/> |

The preference shares have no voting rights and are redeemable at the option of either the holders or the company giving notice of 12 months.

PRENTICE GLASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

12 Statement of movements on profit and loss account

| | Profit and loss account £ |
|------------------------------|------------------------------------|
| Balance at 1 April 2002 | 51,081 |
| Retained profit for the year | 35,012 |
| | <hr/> |
| Balance at 31 March 2003 | 86,093 |
| | <hr/> |

13 Reconciliation of movements in shareholders' funds

| | 2003 £ | 2002 £ |
|-------------------------------------|-----------|-----------|
| Profit for the financial year | 123,984 | 46,162 |
| Dividends | (88,972) | - |
| | <hr/> | <hr/> |
| Net addition to shareholders' funds | 35,012 | 46,162 |
| Opening shareholders' funds | 151,181 | 105,019 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 186,193 | 151,181 |
| | <hr/> | <hr/> |

14 Financial commitments

At 31 March 2003 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|----------------------------|--------------------|--------|--------|-------|
| | 2003 | 2002 | 2003 | 2002 |
| | £ | £ | £ | £ |
| Expiry date: | | | | |
| Between two and five years | - | - | 10,774 | - |
| In over five years | 27,000 | 27,000 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 27,000 | 27,000 | 10,774 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |

15 Control

The ultimate controlling party and parent company is R A Prentice and Company Limited, a company registered in England and Wales.

16 Related party transactions

At the balance sheet date the company owed £29,480 to its holding company, R A Prentice and Company Limited. (2002: The company was owed £30,554 by R A Prentice Limited.)