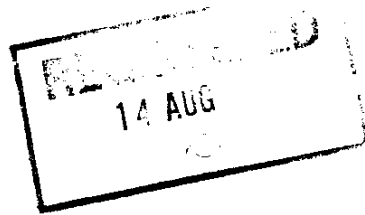


Registration Number NI 19735



Brook Design Hardware Limited

Abbreviated Accounts

for the year ended 31 October 2000

Brook Design Hardware Limited

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Brook Design Hardware Limited

Directors' Report for the year ended 31 October 2000

The directors present their report and the accounts for the year ended 31 October 2000.

Principal Activity and Review of the Business

The company's main activity remained that of manufacturer of window ventilation units and distributors of P.V.C. doors. The company is a fully owned subsidiary of Brook Vent Manufacturing Limited.

Overall performance remained steady during the period 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.

It is proposed that the retained profit of £470,380 be transferred to reserves.

Research and Development

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

Directors and their Interests

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

	Ordinary shares	
	2000	1999
William J. Divers	-	-
W. Andrew Dumican	-	-
William Gray	-	-
Roy McCandless	-	-
Tommy Telford	-	-
Helen Kirkpatrick Non - Executive	-	-

Mr. William Divers owns 92.3% of the shares in Brook Vent Manufacturing Limited. Brook Vent Manufacturing Limited own 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;
- 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 31 October 2000**


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 (NI) 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

In accordance with Article 392 of the Companies (NI) Order 1986, a resolution proposing that McCleary & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

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

This report was approved by the Board on 18 December 2000 and signed on its behalf by



Andrew Dumican
Secretary

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

We have examined the abbreviated accounts set out on pages 4 to 19 together with the financial statements of Brook Design Hardware Limited for the year ended 31 October 2000 prepared under Article 234 of the Companies (NI) Order 1986.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Article 254A of the Companies (NI) 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 254(3) of the Order to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions 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 financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 254(3) of the Companies (NI) Order 1986 in respect of the year ended 31 October 2000, and the abbreviated accounts on pages 4 to 19 are properly prepared in accordance with those provisions.

McCleary & Co

**McCleary & Company
Chartered Accountants and
Registered Auditor**

**Quaker Buildings
High Street
Lurgan**

18 December 2000

Brook Design Hardware Limited

Abbreviated Profit and Loss Account for the year ended 31 October 2000

Continuing operations

		2000	1999
	Notes	£	£
Gross profit		2,422,879	2,360,116
Distribution costs		(231,827)	(271,624)
Administrative expenses		(1,577,748)	(1,506,117)
Operating profit	2	<u>613,304</u>	<u>582,375</u>
Interest receivable and similar income	3	62,391	48,452
Interest payable and similar charges	4	<u>(10,387)</u>	<u>(24,146)</u>
Profit on ordinary activities before taxation		665,308	606,681
Tax on profit on ordinary activities	7	<u>(194,928)</u>	<u>(206,464)</u>
Retained profit for the year		470,380	400,217
Retained profit brought forward		<u>3,296,696</u>	<u>2,896,479</u>
Retained profit carried forward		<u><u>3,767,076</u></u>	<u><u>3,296,696</u></u>

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

The notes on pages 7 to 19 form an integral part of these financial statements.

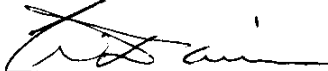
Brook Design Hardware Limited

Balance Sheet as at 31 October 2000

	Notes	2000		1999	
		£	£	£	£
Fixed Assets					
Tangible assets	8		291,565		317,912
Investments	9		1,923,203		1,923,203
			<u>2,214,768</u>		<u>2,241,115</u>
Current Assets					
Stocks	10	544,403		473,081	
Debtors	11	847,678		947,913	
Cash at bank and in hand		1,606,755		1,238,323	
		<u>2,998,836</u>		<u>2,659,317</u>	
Creditors: amounts falling due within one year	12	(1,290,331)		(1,300,178)	
Net Current Assets			<u>1,708,505</u>		<u>1,359,139</u>
Total Assets Less Current Liabilities			<u>3,923,273</u>		<u>3,600,254</u>
Creditors: amounts falling due after more than one year	13		(2,624)		(140,583)
Provision for Liabilities and Charges	14		(24,714)		(33,107)
Accruals and deferred income	15		(8,859)		(9,868)
Net Assets			<u>3,887,076</u>		<u>3,416,696</u>
Capital and Reserves					
Called up share capital	16		120,000		120,000
Profit and loss account			3,767,076		3,296,696
Equity Shareholders' Funds	17		<u>3,887,076</u>		<u>3,416,696</u>

These abbreviated accounts have been prepared in accordance with the special provisions relating to medium companies under Part VIII of the Companies (NI) Order 1986.

The abbreviated accounts were approved by the Board on 18 December 2000 and signed on its behalf by



William J. Divers
Director

The notes on pages 7 to 19 form an integral part of these financial statements.

Brook Design Hardware Limited

Cash Flow Statement **for the year ended 31 October 2000**

	Notes	2000 £	1999 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		613,304	582,375
Depreciation		93,403	101,502
(Increase) in stocks		(71,322)	(39,850)
Decrease in debtors		100,235	(78,251)
Increase in creditors		54,520	36,966
Government grant released		(3,009)	(3,466)
Net cash inflow from operating activities		<u>787,131</u>	<u>599,276</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		787,131	599,276
Returns on investments and servicing of finance	23	52,004	24,306
Taxation	23	(192,974)	(299,102)
Capital expenditure	23	(65,057)	(90,590)
		<u>581,104</u>	<u>233,890</u>
Financing	23	(212,673)	(62,808)
Increase in cash in the year		<u>368,431</u>	<u>171,082</u>

Reconciliation of net cash flow to movement in net funds (Note 24)

Increase in cash in the year		368,431	171,082
Cash outflow from increase in debts and lease financing		212,673	62,808
Change in net funds resulting from cash flows		581,104	233,890
Net funds at 1 November 1999		<u>1,009,515</u>	<u>775,625</u>
Net funds at 31 October 2000		<u>1,590,619</u>	<u>1,009,515</u>

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

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:

Leasehold properties	-	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. 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 charge on each payment made.

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

1.6. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7. 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.

1.8. Pensions

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

1.9. 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 materialise.

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

1.10. 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.

1.11. 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	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	99,474	105,403
Research and development		
- expenditure in current year	161	2,990
(Profit) / Loss on foreign currencies	2,298	6,131
Auditors' remuneration	8,820	8,000
Auditors' remuneration from non-audit work	5,046	2,400
	<hr/>	<hr/>
and after crediting:		
Profit on disposal of tangible fixed assets	6,071	3,901
Amortisation of grants	3,009	3,465
Government grants	10,922	3,069
	<hr/>	<hr/>
3. Interest receivable and similar income	2000	1999
	£	£
Bank interest	62,391	48,452
	<hr/>	<hr/>
4. Interest payable and similar charges	2000	1999
	£	£
On bank loans and overdrafts	8,691	22,346
Lease finance charges and hire purchase interest	1,696	1,800
	<hr/>	<hr/>
	10,387	24,146
	<hr/>	<hr/>

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

5. Employees

Number of employees

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

	2000	1999
Directors & Administrative	16	16
Production	32	33
Sales	8	10
	<u>56</u>	<u>59</u>

Employment costs

	2000	1999
	£	£
Wages and salaries	825,342	958,950
Social security costs	57,358	55,285
Other pension costs	9,448	9,741
	<u>892,148</u>	<u>1,023,976</u>

5.1. Directors' emoluments

	2000	1999
	£	£
Remuneration and other emoluments	<u>-</u>	<u>1,668</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 £9,448 (1999 - £9,741).

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

7. Taxation	2000 £	1999 £
UK current year taxation		
UK Corporation Tax at 30% (1999 - 30%)	204,028	173,357
Transfer from deferred taxation	(8,393)	33,107
	<u>195,635</u>	<u>206,464</u>
Prior years		
UK Corporation Tax	(707)	-
	<u>194,928</u>	<u>206,464</u>

8. Tangible fixed assets	Short leasehold property	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 November 1999	54,958	640,462	184,445	82,397	962,262
Additions	1,735	20,448	15,779	40,972	78,934
Disposals	-	(14,337)	(7,624)	(41,951)	(63,912)
At 31 October 2000	<u>56,693</u>	<u>646,573</u>	<u>192,600</u>	<u>81,418</u>	<u>977,284</u>
Depreciation					
At 1 November 1999	36,806	463,084	87,086	57,374	644,350
On disposals	-	(12,546)	(5,403)	(40,156)	(58,105)
Charge for the year	5,366	46,866	28,433	18,809	99,474
At 31 October 2000	<u>42,172</u>	<u>497,404</u>	<u>110,116</u>	<u>36,027</u>	<u>685,719</u>
Net book values					
At 31 October 2000	<u>14,521</u>	<u>149,169</u>	<u>82,484</u>	<u>45,391</u>	<u>291,565</u>
At 31 October 1999	<u>18,152</u>	<u>177,378</u>	<u>97,359</u>	<u>25,023</u>	<u>317,912</u>

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

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

Asset description	2000		1999	
	Net	Depreciation	Net	Depreciation
	book value	charge	book value	charge
	£	£	£	£
Motor vehicles	<u>20,913</u>	<u>10,300</u>	<u>25,021</u>	<u>26,951</u>

9. Fixed Asset Investments

	Loan due by Holding Company	Total
	£	£
Cost		
At 1 November 1999 & At 31 October 2000	<u>1,923,203</u>	<u>1,923,203</u>
Net book values		
At 31 October 2000	<u>1,923,203</u>	<u>1,923,203</u>
At 31 October 1999	<u>1,923,203</u>	<u>1,923,203</u>

10. Stocks

	2000	1999
	£	£
Raw materials and consumables	249,118	244,315
Work in progress	<u>72,541</u>	<u>81,783</u>
	321,659	326,098
Finished goods and goods for resale	<u>222,744</u>	<u>146,983</u>
	<u>544,403</u>	<u>473,081</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2000**

..... continued

11. Debtors

	2000	1999
	£	£
Trade debtors	804,374	909,225
Amounts owed by group undertakings	851	7,612
Other debtors	24,468	5,557
Prepayments and accrued income	17,985	25,519
	<u>847,678</u>	<u>947,913</u>

**12. Creditors: amounts falling due
within one year**

	2000	1999
	£	£
Bank loan	-	77,252
Net obligations under finance leases and hire purchase contracts	13,510	10,972
Trade creditors	179,569	176,797
Amounts owed to group undertaking	713,738	625,210
Corporation tax	128,704	118,357
Other taxes and social security costs	93,911	125,769
Other creditors	144,332	149,364
Accruals and deferred income	16,567	16,457
	<u>1,290,331</u>	<u>1,300,178</u>

The H.P. and lease obligations, for both liabilities less than and over one year, are secured on the assets being purchased through these forms of finance.

The bank loans are secured by a debenture dated 30 April 1997 affording a Fixed and Floating Charge over the company's assets.

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2000**

..... continued

13. Creditors: amounts falling due after more than one year	2000 £	1999 £
Bank loan	-	129,800
Net obligations under finance leases and hire purchase contracts	2,624	10,783
	<u>2,624</u>	<u>140,583</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	-	77,252
Repayable between two and five years	-	129,800
	<u>-</u>	<u>207,052</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	13,510	10,972
Repayable between one and five years	2,624	10,783
	<u>16,134</u>	<u>21,755</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2000**

..... continued

14. Provisions for liabilities and charges

Deferred tax is analysed over the following timing differences:

	Provided	
	2000	1999
	£	£
Accelerated capital allowances	24,714	33,107

Movements on the provision for deferred taxation are:

	2000	1999
	£	£
At 1 November 1999	33,107	-
Transferred to profit and loss account	(8,393)	33,107
At 31 October 2000	24,714	33,107

15. Accruals and deferred income

Government grants

	2000	1999
	£	£
At 1 November 1999	9,868	8,834
Increase in year	2,000	4,500
	11,868	13,334
Released in year	(3,009)	(3,466)
At 31 October 2000	8,859	9,868

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

16. Share capital

	2000	1999
	£	£
Authorised equity		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid equity		
120,000 Ordinary shares of £1 each	120,000	120,000
	<u> </u>	<u> </u>

17. Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
Profit for the year	470,380	400,217
Opening shareholders' funds	3,416,696	3,016,479
	<u> </u>	<u> </u>
	3,887,076	3,416,696
	<u> </u>	<u> </u>

18. Financial commitments

At 31 October 2000 the company had annual commitments under non-cancellable operating leases as follows:

	2000	1999
	£	£
Expiry date:		
Between one and five years	48,700	48,700
	<u> </u>	<u> </u>

This lease relates to the entire premises.

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2000**

..... continued

19. Charges

First Trust Bank hold the following charges on the company's assets:

- (a) A debenture dated 30 April 1997 affording to the bank a fixed and floating charge on the company's assets.
- (b) Letter of set off on behalf of Brook Plastics and Engineering Limited, Brook Design Hardware Limited and Brook Vent Manufacturing Limited.
- (c) Letters of guarantee, totalling £2,440,000, on behalf of Brook Design Hardware Limited for the obligations of Brook Plastics & Engineering Limited and Brook Vent Manufacturing Limited.

20. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount Owing		Maximum in year
	2000 £	1999 £	
William J. Divers	-	11	11

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

23. Gross Cash Flows

	2000	1999
	£	£
Returns on investments and servicing of finance		
Interest received	62,391	48,452
Interest paid	(10,272)	(23,770)
Interest element of finance lease rental payments	(115)	(376)
	<u>52,004</u>	<u>24,306</u>
Taxation		
Corporation tax paid	(192,974)	(299,102)
Capital expenditure		
Payments to acquire tangible assets	(78,935)	(110,538)
Receipts from sales of tangible assets	11,878	15,448
Receipt of grant	2,000	4,500
	<u>(65,057)</u>	<u>(90,590)</u>
Financing		
Repayment of long term bank loan	(129,800)	(77,252)
Repayment of short term bank loan	(77,252)	6,654
Capital element of hire purchase contracts	(5,255)	12,973
Capital element of finance lease contracts	(366)	(5,183)
	<u>(212,673)</u>	<u>(62,808)</u>

24. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	1,238,322	368,431	1,606,753
Debt due within one year	(77,252)	77,252	-
Debt due after one year	(129,800)	129,800	-
Finance leases	(21,755)	5,621	(16,134)
	<u>(228,807)</u>	<u>212,673</u>	<u>(16,134)</u>
Net funds	<u>1,009,515</u>	<u>581,104</u>	<u>1,590,619</u>

Brook Design Hardware Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2000**

..... continued

25. Contingent liabilities

- (a) During the period the company contributed £150,000 to a trust created for the benefit of employees of Brook Vent Manufacturing Limited or any of its subsidiary companies. We have regarded this as an expense incurred for the benefit of the employees. If the Inland Revenue disallow this contribution, it will give rise to an additional tax charge of £45,000 for the period ended 31 October 2000.

There would also be a further tax charge of £91,250 relating to previous years donations to the Trust.

Brook Design Hardware Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2000

..... continued

21. Related party transactions

Included within the Financial Statements are transactions and balances with :-

(a) **Brook Plastics & Engineering Limited**

Brook Design Hardware Limited and Brook Plastics and Engineering Limited are wholly owned subsidiaries of Brook Vent Manufacturing Limited. Trade between these two companies is on a commercial basis. Purchases during the period from this company were £288,952 with a closing trade creditor at 31 October 2000 of £106,524. Brook Design Hardware also settle certain expenses for Brook Plastics and Engineering Limited. These expenses are charged to a current account, at original cost, and are settled periodically. The balance due to the company at 31 October 2000 was £851

(b) **Brook Design Hardware Limited - Self Administered Pension Scheme**

This is a pension scheme created for the benefit of the company's directors. The pension scheme own the factory premises and charge a commercial rent and service charge for its use. The charge for the current period amounted to £53,563, of which £7,358 was allocated to Brook Plastics and Engineering Limited. At the period end, however, the pension scheme owed Brook Design Hardware Limited an amount of £138 relating to overpayment of service charges.

(c) **Brook Vent Manufacturing Limited**

Brook Vent Manufacturing Limited charges a management fee to the subsidiary companies for services it provides. The charge to Brook Design Hardware Limited totalled £964,717 for the period. The companies also run a current account. Brook Design Hardware Limited owed £607,214 at the period end.

Brook Vent Manufacturing transferred 2 motor vehicles to Brook Design Hardware Limited. The Net Book Values of these cars totalled £21,487 at the time of transfer. The outstanding hire purchase liability on one of these motors was also transferred. This amounted to £9,938. These transfers were also via the current account.

The company made an interest free loan to its holding company Brookvent Manufacturing Limited. This loan amounted to £1,923,203 and is included within Fixed asset investments.

22. Ultimate parent undertaking

The Company was a wholly owned subsidiary of Brook Vent Manufacturing Limited for the entire period. The registered office of Brook Vent Manufacturing Limited is Brook House, Dunmurry Industrial Estate, Dunmurry, Belfast, BT17 9HU. Mr. William Divers owns 92.3% of the share capital in Brook Vent Manufacturing Limited.