

Company Registration No. 04528244 (England and Wales)

KALIBER MARKETING (HOLDINGS) LIMITED

ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2003



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KALIBER MARKETING (HOLDINGS) LIMITED

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KALIBER MARKETING (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2003

The directors present their report and financial statements for the period ended 30 September 2003.

Principal activities and review of the business

The company was incorporated on 6 September 2002 with an authorised share capital of 1,000 £1 ordinary shares of which one was issued at par and fully paid.

The company acquired Kaliber Marketing Limited on 7 October 2002 by means of a share for share exchange, cash and deferred consideration. On the same date the company acquired Vertical Sliders Limited, a dormant company.

The company commenced to trade on 7 October 2002 and its principal activity is that of the production and sale of patio doors and composite doors.

Results and dividends

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

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 6 September 2002:

D J Richards	(Appointed 6 September 2002)
S Moriarty	(Appointed 31 March 2003)

In accordance with the company's Articles of Association, D J Richards and S Moriarty retire having been appointed in the period and, being eligible, offer themselves for re-election.

Directors' interests

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

	Ordinary shares of £1 each	
	30 September 2003	6 September 2002
D J Richards	650,004	1
S Moriarty	-	-

Auditors

Hacker Young were appointed auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

KALIBER MARKETING (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

Directors' responsibilities

Directors are required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that period. It is also the directors' responsibility to maintain adequate accounting records, safeguard the assets of the company and take reasonable steps in preventing and detecting fraud and other irregularities.

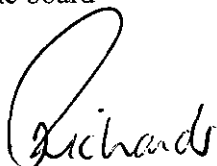
The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements on a going concern basis.

On behalf of the board

D J Richards

Director

31 March 2004



KALIBER MARKETING (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO KALIBER MARKETING (HOLDINGS) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 19, together with the financial statements of the company for the period ended 30 September 2003 prepared under section 226 of the Companies Act 1985.

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 auditors' 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

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act 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 audit 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 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 19 are properly prepared in accordance with that provision.

Hacker Young
Hacker Young

31 March 2004

Chartered Accountants
Registered Auditor

KALIBER MARKETING (HOLDINGS) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 SEPTEMBER 2003

	Notes	2003 £
Gross profit		2,398,810
Distribution costs		(445,294)
Administrative expenses		(1,697,897)
Operating profit before amortisation	3	<u>255,619</u>
Amortisation on intangible assets	3	(56,145)
Operating profit before interest	3	<u>199,474</u>
Other interest receivable and similar income	4	6,558
Interest payable and similar charges	5	(48,246)
Profit on ordinary activities before taxation		<u>157,786</u>
Tax on profit on ordinary activities	6	(44,885)
Profit on ordinary activities after taxation	17	<u><u>112,901</u></u>

KALIBER MARKETING (HOLDINGS) LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003	
		£	£
Fixed assets			
Intangible assets	7		1,066,748
Tangible assets	8		328,837
Investments	9		6
			<hr/>
			1,395,591
Current assets			
Stocks	10	201,601	
Debtors	11	845,637	
Cash at bank and in hand		179,476	
		<hr/>	
		1,226,714	
Creditors: amounts falling due within one year	12	(1,383,976)	
		<hr/>	
Net current liabilities			(157,262)
Total assets less current liabilities			<hr/> 1,238,329
Creditors: amounts falling due after more than one year	13		(468,451)
Provisions for liabilities and charges	14		(6,973)
			<hr/>
			762,905
			<hr/> <hr/>
Capital and reserves			
Called up share capital	16		650,004
Profit and loss account	17		112,901
			<hr/>
Shareholders' funds - equity interests	21		762,905
			<hr/> <hr/>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the board on 31 March 2004

D J Richards
Director



KALIBER MARKETING (HOLDINGS) LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2003

	Notes	£	2003 £
Net cash inflow from operating activities	18		344,587
Returns on investments and servicing of finance			
Interest received		6,558	
Interest paid		(40,102)	
		<hr/>	
Net cash outflow for returns on investments and servicing of finance			(33,544)
Taxation			(29,609)
Capital expenditure			
Payments to acquire tangible assets		(95,017)	
Receipts from sales of tangible assets		1,500	
		<hr/>	
Net cash outflow for capital expenditure			(93,517)
Acquisitions and disposals			
Hive up of subsidiary asset and trade (net of cash acquired)	2		(323,464)
			<hr/>
Net cash outflow before financing			(135,547)
Financing			
Issue of ordinary share capital		2	
		<hr/>	
Issue of shares		2	
		<hr/>	
New long term bank loan		500,000	
Repayment of long term bank loan		(100,000)	
Capital element of hire purchase contracts		(84,979)	
		<hr/>	
Increase in debt		315,021	
		<hr/>	
Net cash inflow from financing			315,023
Increase in cash in the period	19		179,476

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2003

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

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	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

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 Investments

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

1.7 Stock and work in progress

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

1.8 Pensions

Payments to the company's defined contribution pension scheme are charged to the profit and loss account as they become payable.

1.9 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. The deferred tax balance has not been discounted.

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

1 Accounting policies (continued)

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-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.

2 Acquisitions

During the year the company acquired the business and assets of Kaliber Marketing Limited for a consideration of £1,322,144.

The following table summarises the fair values of the assets acquired.

	Fair value £
Tangible fixed assets	296,773
Goodwill	1,122,893
Stock and work in progress	188,265
Debtors	606,395
Cash acquired	198,680
Creditors	(1,090,862)
	<u>1,322,144</u>

Satisfied by

	£
Share for share exchange	650,000
Loan notes	150,000
Cash	522,144
	<u>1,322,144</u>
Cash paid net of cash acquired	<u>323,464</u>

The results of Kaliber Marketing Limited up to acquisition were as follows:

	Post tax profit £
Six months ended 7 October 2002	157,512
Year ended 31 March 2002	<u>83,452</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

3	Operating profit	2003
		£
	Operating profit is stated after charging:	
	Amortisation of intangible assets	56,145
	Depreciation of tangible assets	148,142
	Loss on disposal of tangible assets	12,188
	Operating lease rentals	29,634
	Auditors' remuneration	8,005
		<u> </u>
4	Other interest receivable and similar income	2003
		£
	Bank interest	6,558
		<u> </u>
5	Interest payable	2003
		£
	On other loans wholly repayable within 5 years	31,848
	Hire purchase interest	16,398
		<u> </u>
		<u>48,246</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

6 Taxation	2003 £
Domestic current year tax	
UK corporation tax	58,969
Current tax charge	<u>58,969</u>
Deferred tax	
Deferred tax charge/credit current year	(14,084)
	<u>44,885</u>
Factors affecting the tax charge for the period	
Profit on ordinary activities before taxation	<u>157,786</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00 %	<u>29,979</u>
Effects of:	
Non deductible expenses	20,198
Depreciation add back	30,463
Capital allowances	(22,891)
Other tax adjustments	1,220
	<u>28,990</u>
Current tax charge	<u>58,969</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

7 Intangible fixed assets	Goodwill
	£
Cost	
At 6 September 2002	-
Additions	1,122,893
	<hr/>
At 30 September 2003	1,122,893
	<hr/>
Amortisation	
At 6 September 2002	-
Charge for the period	56,145
	<hr/>
At 30 September 2003	56,145
	<hr/>
Net book value	
At 30 September 2003	1,066,748
	<hr/> <hr/>

The acquired goodwill is being amortised over its estimated useful life of 20 years.

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
Hived up from subsidiary company	218,640	68,907	262,540	550,087
Additions	48,125	41,926	103,842	193,893
Disposals	-	-	(16,200)	(16,200)
At 30 September 2003	<u>266,765</u>	<u>110,833</u>	<u>350,182</u>	<u>727,780</u>
Depreciation				
Hived up from subsidiary company	103,513	24,164	125,636	253,313
On disposals	-	-	(2,512)	(2,512)
Charge for the period	51,676	21,296	75,170	148,142
At 30 September 2003	<u>155,189</u>	<u>45,460</u>	<u>198,294</u>	<u>398,943</u>
Net book value				
At 30 September 2003	<u>111,576</u>	<u>65,373</u>	<u>151,888</u>	<u>328,837</u>

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

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 30 September 2003	<u>23,261</u>	<u>2,106</u>	<u>151,683</u>	<u>177,050</u>
Depreciation charge for the period				
30 September 2003	<u>12,375</u>	<u>1,487</u>	<u>72,488</u>	<u>86,350</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

9 Fixed asset investments

	Shares in group undertakings	£
Cost		
At 6 September 2002	-	-
Additions	1,300,004	1,300,004
Adjustment following hive up of assets	(1,299,998)	(1,299,998)
	<u>6</u>	<u>6</u>
At 30 September 2003	<u>6</u>	<u>6</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Kaliber Marketing Limited	England and Wales	Ordinary	100
KAT UK Limited	England and Wales	Ordinary	100
Vertical Sliders Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003	Profit for the year 2003
	£	£
Kaliber Marketing Limited	2	-
KAT UK Limited	2	-
Vertical Sliders Limited	2	-
	<u>2</u>	<u>-</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

10	Stocks and work in progress	2003
		£
	Raw materials and consumables	157,651
	Work in progress	43,950
		<hr/>
		201,601
		<hr/> <hr/>
11	Debtors	2003
		£
	Trade debtors	763,121
	Other debtors	7,897
	Prepayments and accrued income	74,619
		<hr/>
		845,637
		<hr/> <hr/>
12	Creditors: amounts falling due within one year	2003
		£
	Bank loans and overdrafts	100,000
	Net obligations under finance lease and hire purchase contracts	79,129
	Trade creditors	670,874
	Corporation tax	113,857
	Other taxes and social security costs	168,342
	Other creditors	62,448
	Accruals and deferred income	189,326
		<hr/>
		1,383,976
		<hr/> <hr/>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

13 Creditors: amounts falling due after more than one year	2003 £
Bank loans	300,000
Other loans	100,000
Net obligations under finance leases and hire purchase agreements	68,451
	<u>468,451</u>
 Analysis of loans	
Wholly repayable within five years	550,000
	<u>550,000</u>
Included in current liabilities	(150,000)
	<u>400,000</u>
 Loan maturity analysis	
In more than one year but not more than two years	150,000
In more than two years but not more than five years	350,000
	<u>500,000</u>

The aggregate amount of creditors for which security has been given amounted to £400,000.

Net obligations under finance leases and hire purchase contracts	
Repayable within one year	79,129
Repayable between one and five years	38,283
Repayable after five years	30,168
	<u>147,580</u>
Included in liabilities falling due within one year	(79,129)
	<u>68,451</u>

Other creditors include unsecured loan notes amounting to £150,000. These were issued in respect of consideration for the purchase of 1 ordinary share in the company's subsidiary undertaking Kaliber Marketing Limited. Interest is charged at a rate of 2% above the bank's base rate and the loan notes are repayable in three instalments of £50,000 each on 14 November 2003, 2004 and 2005.

The bank loan is repaid in quarterly instalments of £25,000 each commencing 31 December 2002 and interest is charged on the loan at a rate of 2.5% per annum above the bank's base rate. It is secured by a debenture over all the assets of the company.

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

14 Provisions for liabilities and charges

	Deferred taxation £
Hive up	21,057
Profit and loss account	(14,084)
	<hr/>
Balance at 30 September 2003	6,973
	<hr/> <hr/>

15 Pension costs

Defined contribution

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.

	2003 £
Contributions payable by the company for the period	16,200
	<hr/> <hr/>

16 Share capital

	2003 £
Authorised	
1,000,000 Ordinary shares of £1 each	1,000,000
	<hr/> <hr/>
Allotted, called up and fully paid	
650,004 Ordinary shares of £1 each	650,004
	<hr/> <hr/>

The company was incorporated on 6 September 2002 with an authorised share capital of 1,000 £1 ordinary shares, of which 1 was issued at par fully paid for in cash. On 7 October 2002 the authorised share capital was increased to 1,000,000 ordinary shares of £1 each.

On the same date the company issued 650,002 ordinary shares of £1 each in exchange for shares in other companies and 1 ordinary share which was fully paid at par. To acquire 50% of the issued share capital of Kaliber Marketing Limited the company issued 650,000 ordinary shares. To acquire 50% of the issued share capital in KAT UK Limited and Vertical Sliders Limited the company issued 2 ordinary shares.

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

17 Statement of movements on profit and loss account

	Profit and loss account £
Retained profit for the period	112,901

18 Reconciliation of operating profit to net cash inflow from operating activities

2003
£

Operating profit/(loss)	199,474
Depreciation of tangible assets	148,142
Amortisation of intangible assets	56,145
Loss on disposal of tangible assets	12,188
(Increase)/decrease in stocks	(13,336)
Increase in debtors	(239,242)
Increase in creditors within one year	181,216
Net cash inflow from operating activities	344,587

19 Analysis of net debt

	6 September 2002	Cash flow	Acquisitions (excluding cash) and other changes	30 September 2003
	£	£	£	£
Net cash:				
Cash at bank and in hand	-	179,476	-	179,476
Debt:				
Finance leases	-	84,979	(232,559)	(147,580)
Debts falling due within one year	-	-	(150,000)	(150,000)
Debts falling due after one year	-	(400,000)	-	(400,000)
	-	(315,021)	(382,559)	(697,580)
Net debt	-	(135,545)	(382,559)	(518,104)

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

20 Reconciliation of net cash flow to movement in net debt	2003
	£
Increase in cash in the period	179,476
Cash inflow from increase in debt and lease financing	(315,021)
	<hr/>
Change in net debt resulting from cash flows	(135,545)
Loan notes issued for acquisition	(150,000)
New finance lease	(232,559)
	<hr/>
Movement in net debt in the period	(518,104)
	<hr/>
Closing net debt	(518,104)
	<hr/> <hr/>

21 Reconciliation of movements in shareholders' funds	2003
	£
Profit for the financial period	112,901
Proceeds from issue of shares	650,004
	<hr/>
Net addition to shareholders' funds	762,905
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	762,905
	<hr/> <hr/>

22 Financial commitments

At 30 September 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	Other
	2003	2003
	£	£
Expiry date:		
Within one year	-	2,997
Between two and five years	87,662	-
	<hr/>	<hr/>
	87,662	2,997
	<hr/> <hr/>	<hr/> <hr/>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2003

23 Directors' emoluments	2003
	£
Emoluments for qualifying services	199,127
Company pension contributions to money purchase schemes	15,000
	<u>214,127</u>

24 Employees

Number of employees

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

	2003
	Number
Distribution	10
Sales	3
Admin	23
Production	47
	<u>83</u>

Employment costs

	£
Wages and salaries	1,654,197
Social security costs	150,680
Other pension costs	16,200
	<u>1,821,077</u>

25 Control

The ultimate controlling party is D J Richards by virtue of his shareholding and directorship.

26 Related party transactions

During the year the company made purchases from Tiger 2000 Limited, a company in which D J Richards is interested as a director and shareholder, amounting to £14,610.