NORTHFIELD CAPITAL CORPORATION

Consolidated Financial Statements

Years ended December 31, 2005 and 2004

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AUDITORS' REPORT

To the Shareholders of
Northfield Capital Corporation

We have audited the consolidated balance sheets of Northfield Capital Corporation as at December 31, 2005 and 2004 and the consolidated statements of earnings, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2005 and 2004 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Smith, Nixon & Co. LLP

Chartered Accountants
Toronto, Ontario
April 18, 2006

NORTHFIELD CAPITAL CORPORATION
CONSOLIDATED BALANCE SHEETS

As at December 31	**2005**	2004
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 76,760**	$ 259,971
Receivables (note 4)	**5,226,877**	4,531,177
Marketable securities (market value $11,550,905; 2004 - $9,206,804)	**5,286,910**	4,103,640
Inventories	**1,801,953**	1,810,811
Prepaid expenses	**83,124**	94,693
	12,475,624	10,800,292
Restricted Cash (note 8)	**209,226**	205,298
Long-Term Investments (note 5)	**7,997,236**	7,710,971
Notes Receivable (note 6)	**84,873**	2,992
Future Income Taxes (note 12)	**-**	279,215
Property, Plant and Equipment (notes 7 and 9)	**3,895,197**	2,469,931
Goodwill	**1,049,756**	921,531
	$ 25,711,912	$ 22,390,230
LIABILITIES		
Current Liabilities		
Bank indebtedness (note 8)	**$ 990,346**	$ 1,372,649
Due to brokers (note 8)	**2,228,294**	3,666,109
Accounts payable and accrued liabilities	**2,831,779**	2,293,733
Income taxes payable	**308,121**	259,683
Deferred revenue	**230,527**	115,345
Current portion of long-term debt (note 9)	**303,646**	133,122
	6,892,713	7,840,641
Long-Term Debt (note 9)	**2,157,900**	734,815
Future Income Taxes (note 12)	**320,874**	-
	9,371,487	8,575,456
SHAREHOLDERS' EQUITY		
Share Capital (note 10)	**3,819,097**	3,812,707
Contributed Surplus (note 10)	**72,831**	72,831
Retained Earnings	**12,448,497**	9,929,236
	16,340,425	13,814,774
	$ 25,711,912	$ 22,390,230

See accompanying notes to financial statements

Signed on behalf of the Board

(Signed) *"Robert D. Cudney"*	(Signed) *"Thomas J. Pladsen"*
Director	Director

NORTHFIELD CAPITAL CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS

Years ended December 31	2005	2004
Revenue		
Sales	$ 25,557,891	$ 21,836,562
Other income (note 11)	3,983,257	3,507,383
	29,541,148	25,343,945
Operating expenses		
Cost of sales	17,615,080	15,021,109
Selling and administrative	7,471,633	7,003,989
Amortization	538,318	467,671
Interest on long-term debt	135,412	45,842
Stock-based compensation (note 10)	-	15,000
	25,760,443	22,553,611
Earnings before income taxes	3,780,705	2,790,334
Income taxes (note 12)	818,201	342,620
Net earnings	$ 2,962,504	$ 2,447,714
Earnings per share		
Basic	$ 1.07	$ 0.88
Diluted	$ 1.04	$ 0.86
Weighted average Class A and Class B shares outstanding		
Basic	2,776,130	2,797,118
Diluted	2,849,330	2,834,097

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Years ended December 31	2005	2004
Retained earnings, beginning of year	$ 9,929,236	$ 7,667,795
Net earnings	2,962,504	2,447,714
Excess of cost over paid-up value of repurchased shares	(443,243)	(186,273)
Retained earnings, end of year	$ 12,448,497	$ 9,929,236

See accompanying notes to financial statements

NORTHFIELD CAPITAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31	2005	2004
Cash provided by (used in)		
Operations		
Net earnings	**$ 2,962,504**	$ 2,447,714
Items not involving current cash flows (note 13)	**(1,928,554)**	(2,107,078)
Net change in non-cash working capital (note 13)	**(2,596,171)**	1,588,449
	(1,562,221)	1,929,085
Investing activities		
Purchase of property, plant and equipment	**(1,698,804)**	(291,312)
Proceeds on disposal of property, plant and equipment	**11,908**	31,909
Purchase of long-term investments	**(1,714,061)**	(3,302,009)
Proceeds on disposal of long-term investments	**4,456,402**	3,738,302
Business acquisition (note 3)	**(251,169)**	-
Issuance of notes receivable	**(108,814)**	-
Repayment of notes receivable	**20,214**	20,222
Restricted cash	**(3,928)**	(3,067)
	711,748	194,045
Financing activities		
Increase in bank indebtedness	**(489,494)**	(2,567,171)
Repayment of long-term debt	**(225,031)**	(883,097)
Proceeds of long-term debt	**1,818,640**	509,270
Proceeds from share options exercised	**75,000**	205,000
Shares repurchased for cancellation	**(511,853)**	(228,606)
	667,262	(2,964,604)
Change in cash	**(183,211)**	(841,474)
Cash and cash equivalents, beginning of year	**259,971**	1,101,445
Cash and cash equivalents, end of year	**$ 76,760**	$ 259,971

Supplementary Information (note13)

See accompanying notes to financial statements

1. NATURE OF OPERATIONS

These consolidated financial statements have been prepared by Management in accordance with Canadian generally accepted accounting principles, and include the accounts of Northfield Capital Corporation ("the Company") and its subsidiaries which include Northfield Glass Group Inc., Klear Glass & Mirror Limited and Solarseal Windows Limited (formerly Henry J. Thomas & Son Limited).

The Company is a publicly traded investment holding company with investment interests in industries such as glass, manufacturing, oil & gas, mining, and technology.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries as described in note 1. All significant inter-company transactions and balances have been eliminated for the consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

Revenue Recognition

Revenues are recognized upon shipment and when all obligations have been satisfied and collection is reasonably assured. Contract revenue is recognized on the percentage-of-completion basis with any projected contract losses immediately recognized. Work in progress represents the excess costs incurred and anticipated profits on contracts in progress over amounts billed. Revenue is considered unearned and is deferred until delivered and services are rendered.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balances with brokers.

Investments

Marketable securities represent short-term investments which are carried at the lower of cost or trading market value.

Long-term investments in which the Company has significant influence but not control, are accounted for by the equity method. Other long-term investments are carried at cost less any write-downs for impairments that are considered other than temporary.

Inventories

Inventories consist of raw materials, work in progress, supplies and finished goods and are valued at the lower of cost and net realizable value. Inventories of work in progress are valued using the percentage of completion method based on management's best estimates. Raw materials and supplies are valued at the lower of cost and replacement cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, Plant and Equipment

Property, plant and equipment are stated at cost and are amortized over the estimated useful lives of the assets using the following methods and rates:

Leasehold improvements	20% straight line
Building	4-5% declining balance
Vehicles	30% declining balance
Computer equipment	30% declining balance
Computer software	20% straight-line
Equipment	20% declining balance
Furniture and fixtures	20% declining balance

Long Lived Assets

Long-lived assets, which comprise long-term investments, notes receivable and property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If the sum of the undiscounted future cash flows expected from use and residual value is less than carrying amount, the long-lived asset is considered impaired. An impairment loss is measured as the amount by which the carrying value of the long-lived assets exceeds its fair value.

Goodwill

Goodwill represents the excess of the purchase price of the Company's interest in subsidiary entities over the fair value of the underlying net identifiable tangible and intangible assets arising on acquisition. Goodwill related to business acquisitions made prior to July 1, 2001 was amortized on a straight-line basis over the estimated useful life of twenty years until September 30, 2002. Goodwill related to business acquisitions made after June 30, 2001 is not amortized. Goodwill must be tested for impairment on an annual basis, or more frequently if events or circumstances occur that more likely than not would reduce the fair value of a reporting unit below its carrying value. Goodwill impairment exists when the carrying value of the reporting unit exceeds its fair value. The fair value of a reporting unit is determined based on the discounted future cash flows. The amount of impairment loss, if any, represents the excess of the carrying value of goodwill over its fair value. This loss will be charged to earnings in the period in which it is incurred.

Per Share Information

Per share information is computed using the weighted average number of Class A Restricted Voting Shares and Class B Multiple Voting Shares outstanding during the year. Diluted per share information is calculated using the treasury stock method for options. The treasury stock method assumes that any proceeds obtained upon exercise of options would be used to purchase Class A shares at the average market price during the year.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government Assistance

Government assistance relating to the acquisition of property and equipment is netted against the related property and equipment. Government assistance relating to operating expenditures is netted against the related expense in the period in which the expenditure occurs.

Warranty Provision

The Company records a provision for estimated future warranty service and repair costs based on sales. The provision is based on Management's best estimate and historical warranty service and repair costs incurred.

Stock-based Compensation

The Company has a stock-based compensation plan, which is described in note 10. The Company accounts for stock options using the fair value method. Under this method, compensation expense for stock options granted is measured at fair value at the grant date using the Black-Scholes valuation model and recognized over the vesting period of the options granted.

3. BUSINESS ACQUISITION

On March 1, 2005, Northfield Glass Group Inc. acquired from an arm's length third party 100% of the common shares of Klear Glass & Mirror Limited. The net purchase price of the common shares was $251,169 after a purchase price adjustment of $59,851. The acquisition has been accounted for using the purchase method, and as a result, all assets and liabilities acquired have been assigned a portion of the cost based on their relative fair values at the date of acquisition. The excess of the cost over the net of the amounts assigned to assets acquired and liabilities assumed has been recorded as goodwill during the year.

The amounts assigned to assets and liabilities of the acquired company at the date of acquisition were as follows:

Property and equipment	$ 277,000
Inventory	94,127
Future income tax asset	11,705
Future income tax liability	(50,364)
Working capital deficiency	(102,328)
Goodwill	128,220
	358,360
Less:	
Bank indebtedness assumed	(107,191)
Purchase Price (net cash paid)	$ 251,169

4. RECEIVABLES

	2005	2004
Accounts receivable	**$ 5,199,944**	$ 4,510,967
Current portion of notes receivable (note 6)	**26,933**	20,210
	$ 5,226,877	$ 4,531,177

The Company is exposed to credit risk on the accounts receivable from its customers. Management has adopted credit policies in an effort to minimize those risks. The Company does not have a significant exposure to any individual customer.

5. LONG-TERM INVESTMENTS

	2005		2004	
	Quoted Market value	**Cost**	Quoted Market value	Cost
Accounted for on the cost basis				
Aspen Group Resources Corporation	**$ 2,369,306**	**$ 2,462,343**	$ 1,682,922	$ 2,096,529
FNX Mining Company Inc.	**14,314,972**	**710,005**	5,638,379	774,039
Guyana Goldfields Inc.	**5,669,102**	**1,109,797**	4,313,045	1,001,756
GeoGlobal Resources Inc.	**9,242,951**	**125,718**	1,790,863	299,942
Southern Star Resources Inc.	**8,206,200**	**1,164,006**	815,580	898,032
	$ 39,802,531	**5,571,869**	$ 14,240,789	5,070,298
Accounted for on the equity basis				
Cimatec Environmental Engineering Inc.				
Common shares (22%);(2004-20%)	**$ 1,969,197**	**1,465,671**	$ 615,262	1,208,974
Share of equity loss and impairment		**(1,465,671)**		(570,000)
Demand note receivable at bank prime rate of interest plus 2%. The effective interest rate at December 31, 2005 was 7.0%.		**354,715**		835,000
Subordinated fixed term convertible debentures bearing interest at prime plus 2% per annum and repayable on September 26, 2008. Convertible into common shares at a price of $0.20 per share.		**750,953**		
		1,105,668		1,473,974
The Grange of Prince Edward Inc.				
Common shares (47%)		**1,857,000**		1,512,000
Share of equity loss		**(537,301)**		(345,301)
		1,319,699		1,166,699
Total long-term investments		**$ 7,997,236**		$ 7,710,971

6. NOTES RECEIVABLE

	2005	2004
Note receivable, bearing interest at 6%, repayable in blended monthly instalments of $1,010, due April 2006.	**$ 2,992**	$ 14,554
Note receivable, bearing interest at 6.5%, repayable in blended monthly instalments of $891, due October 2005.	**-**	8,648
Note receivable, bearing interest at 6%, repayable in monthly instalments of $ 2,992 plus interest, due April 2009.	**108,814**	-
	111,806	23,202
Current portion (note 4)	**26,933**	20,210
	$ 84,873	$ 2,992

7. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	2005 Net
Land	**$ 486,352**	**$ -**	**$ 486,352**
Buildings	**2,587,294**	**484,550**	**2,102,744**
Equipment and furnishings	**3,067,802**	**2,259,698**	**808,104**
Vehicles	**1,324,810**	**848,100**	**476,710**
Leasehold improvements	**264,868**	**243,581**	**21,287**
	$ 7,731,126	**$ 3,835,929**	**$ 3,895,197**

	Cost	Accumulated Amortization	2004 Net
Land	$ 291,152	$ -	$ 291,152
Buildings	1,236,369	413,519	822,850
Equipment and furnishings	3,195,959	2,342,622	853,337
Vehicles	1,160,563	781,191	379,372
Leasehold improvements	346,989	223,769	123,220
	$ 6,231,032	$ 3,761,101	2,469,931

8. CREDIT FACILITIES

The Company's subsidiaries have a line of credit available to a maximum of $2,700,000. The available line as at December 31, 2005 was $2,200,000 of which $1,013,000 was drawn and outstanding. As security, the subsidiaries have provided an assignment of receivables, term deposit, inventories and a general security agreement covering all assets of the subsidiaries. Interest is calculated at the bank's prime rate of interest plus 1.5%. The effective interest rate at December 31, 2005 was 6.5% (2004 - 5.25%).

A guaranteed investment certificate in the amount of $200,000 (2004 - $200,000) is held by the bank as security for a bonding Letter of Credit and is included in restricted cash.

Due to broker represents overdraft positions in the Company's margin accounts with various brokers and is secured by certain marketable securities. The maximum amount available is dependent on the securities held in the account. Interest is calculated at the broker's prime rate of interest plus 1.5% to 2%.

The Grange of Prince Edward Inc. (note 5) has a credit facility for a total of $1,250,000. The Company has guaranteed 50% of this credit facility. As at December 31, 2005, $1,250,000 has been drawn on this facility.

During 2005, the Company provided a guarantee as security on a revolving demand facility held by Cimatec. The amount of the guarantee is to a maximum of $500,000 and the facility bears interest at prime plus 1.5%. At December 31, 2005, this facility had not been utilized.

9. LONG-TERM DEBT

	2005	2004
BDC term loan, repayable in monthly instalments of $3,750 plus interest at BDC floating rate plus 1%, maturing June 2006.	**$ 22,500**	$ 67,500
BDC term loan, repayable in monthly instalments of $1,667 plus interest at BDC floating rate plus 1%, maturing November 2007.	**38,341**	58,345
BDC term loan, repayable in monthly instalments of $2,459 plus interest at BDC floating rate plus 1%, maturing June 2009.	**103,278**	132,786
BDC term loan, repayable in monthly instalments of $3,820 plus interest at BDC floating rate plus 1.5%, maturing March 2020.	**653,219**	509,270
BDC term loan, repayable in monthly instalments of $11,000 plus interest at BDC floating rate plus 1.5%, maturing May 2015.	**1,243,000**	-
BDC term loan, repayable in monthly instalments of $1,420 plus interest at BDC floating rate plus 1.5%, maturing May 2020.	**245,660**	-
Term loans, repayable in blended monthly instalments of $1,701, bearing interest at 7.2%, maturing July 2011.	**93,414**	-
Other	**62,134**	100,036
	2,461,546	867,937
Current portion	**303,646**	133,122
	$ 2,157,900	$ 734,815

As security for all Business Development Bank of Canada ("BDC") term loans, Northfield Glass Group Inc. has provided a mortgage on land and building with a net book value of $2,589,096 and a general security agreement covering all its assets. The BDC floating interest rate at December 31, 2005 was 7.0%, therefore the effective interest rate of the above BDC term loans was 8.0% and 8.5%.

Principal repayments of long-term debt are as follows:

2006	$ 303,646
2007	280,538
2008	257,435
2009	227,132
2010	213,695
Thereafter	1,179,100
	$ 2,461,546

10. SHARE CAPITAL

Authorized

An unlimited number of :
- Class A Restricted Voting Shares
- Class B Multiple Voting Shares having 500 votes per share, convertible into one Class A Restricted Voting Share; ownership is restricted to the original promoters of the Company
- Preference shares

Issued

	Number of Shares	Consideration	Contributed Surplus
Class A Restricted Voting Shares			
Balance, December 31, 2003	2,732,213	$ 3,642,360	$ 57,831
Share options exercised	65,000	205,000	-
Stock-based compensation	-	-	15,000
Shares repurchased for cancellation	(30,778)	(42,333)	-
Balance, December 31, 2004	**2,766,435**	**3,805,027**	**72,831**
Share options exercised	**15,000**	**75,000**	**-**
Shares repurchased for cancellation	**(48,300)**	**(68,610)**	**-**
Balance, December 31, 2005	**2,733,135**	**3,811,417**	**72,831**
Class B Multiple Voting Shares			
Balance, December 31, 2003, 2004 and 2005	**3,720**	**7,680**	**-**
	2,736,855	**$ 3,819,097**	**$ 72,831**

Options

The Company has a stock option plan (the "Plan") in place under which the board of directors may grant options to acquire up to 490,000 Class A Restricted Voting Shares ("Class A shares") of the Company to qualified directors, officers, employees and other ongoing service providers. The exercise price of options issued may not be less than the fair market value of the Class A shares at the time the option is granted. The options are non-assignable and may be granted for a term not exceeding five years. Options issued under the Plan may vest at the discretion of the board of directors and must vest over a period of at least 18 months and must be released in equal stages on a quarterly basis. The number of Class A shares reserved for issuance to any one person upon the exercise of options may not exceed 5% of the issued and outstanding Class A shares at the date of such grant.

10. SHARE CAPITAL (continued)

Options (continued)

Stock option transactions and the number of stock options outstanding are as follows:

	Number of Options		Weighted Average Exercise Price
Balance, December 31, 2003	230,000	$	4.00
Options exercised	(65,000)	$	3.15
Balance, December 31, 2004	**165,000**	**$**	**5.45**
Options exercised	**(15,000)**	**$**	**5.00**
Balance, December 31, 2005	**150,000**	**$**	**5.50**

As at December 31, 2005, options were outstanding to certain officers, directors and key employees for the purchase of Class A restricted voting shares as follows:

Date of Grant	Number	Exercise Price	Expiry Date
February 19, 2002	140,000	5.50	February 19, 2007
June 26, 2003	10,000	5.50	June 26, 2008
	150,000		

As at December 31, 2005 and 2004, all of the options were exercisable. No options were granted during the years ended December 31, 2005 and 2004.

Stock-based Compensation

The Company has recognized stock option expense and contributed surplus of $Nil (2004 - $15,000) for its stock-based compensation plan.

11. OTHER INCOME (EXPENSE)

		2005		2004
Gain on sale of long-term investments	**$**	**4,116,284**	$	3,008,481
Gain on sale of marketable securities		**1,139,338**		1,107,782
Investment and other income		**(184,363)**		(221,558)
Loss on disposal of property, plant and equipment		**(331)**		(372)
Write-down of long-term investment		**(619,671)**		-
Equity loss		**(468,000)**		(386,950)
	$	**3,983,257**	$	3,507,383

12. INCOME TAXES

The future income tax asset is comprised of the following temporary differences:

	2005	2004
Property, plant and equipment	**$ (97,356)**	$ 52,530
Other assets	**(234,496)**	(42,532)
Income tax losses	**186,119**	269,217
Valuation allowance	**(175,141)**	-
	$ (320,874)	$ 279,215

The major factors that cause variations from the Company's combined federal and provincial statutory Canadian income tax rates of 36.1 % (2004 - 36.1%) were the following:

	2005	2004
Earnings before income taxes	**$ 3,780,705**	$ 2,790,334
Expected income tax expense at statutory rates	**$ 1,364,835**	$ 1,007,311
Increase (decrease) resulting from:		
Non-taxable portion of capital gains	**(1,008,798)**	(689,343)
Flow-through share deductions	**(290,100)**	(129,960)
Non-capital losses previously unrecognized	**62,886**	-
Write-down of future tax asset	**228,045**	-
Unrecognized losses of subsidiaries	**-**	(14,817)
Equity loss	**169,041**	139,690
Write-down of long-term investment	**223,825**	-
Stock-based compensation	**-**	5,415
Other	**68,467**	24,324
	$ 818,201	$ 342,620

The details of the provision for income taxes are as follows:

	2005	2004
Current provision	**$ 246,771**	$ 374,030
Future provision (recovery)	**561,430**	(31,410)
	$ 808,201	$ 342,620

13. STATEMENT OF CASH FLOWS

	2005	2004
Items not involving current cash flows		
Amortization	**$ 538,318**	$ 467,671
Equity loss	**468,000**	386,950
Future income taxes	**561,430**	31,410
Loss on disposal of property, plant and equipment	**311**	372
Gain on sale of long-term investments	**(4,116,284)**	(3,008,481)
Write-down of long-term investments	**619,671**	-
Stock-based compensation	**-**	15,000
	$ (1,928,554)	$ (2,107,078)
Net change in non-cash working capital		
Receivables	**$ (688,977)**	$ 215,158
Marketable securities	**(1,183,270)**	(1,941,982)
Inventories	**102,985**	(143,903)
Prepaid expenses	**11,569**	(15,163)
Due to brokers	**(1,437,816)**	3,389,234
Accounts payable and accrued liabilities	**435,718**	4,756
Income taxes	**48,438**	182
Deferred revenue	**115,182**	80,167
	$ (2,596,171)	$ 1,588,449
Supplemental information		
Interest paid	**$ 460,654**	$ 336,997
Income taxes paid	**$ 278,408**	$ 331,122

14. RELATED PARTY TRANSACTIONS

During the year, the Company paid consulting fees of $120,000 (2004 - $120,000) to a company controlled by an officer, paid rent of $41,140 (2004 - $44,400) and consulting fees of $44,940 (2004 - $44,940) to a company controlled by another officer and paid rent of $147,000 (2004 - $105,600) to a company controlled by a director. These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

In addition, during the year the Company recognized sales and purchases of inventory from a 39% owned company, which is managed by a director, in the amount of $1,081,000 and $25,000 (2004 - $1,102,000 and $171,000) respectively. These transactions are in the normal course of operations and are recorded at their exchange amount. As at December 31, 2005, $309,000 (2004 - $193,000) relating to such transactions is included in receivables.

15. FINANCIAL INSTRUMENTS

The carrying value of cash and cash equivalents, receivables, bank indebtedness, due to brokers, accounts payable and accrued liabilities and income taxes payable are considered to be representative of their respective values due to their short-term nature.

The fair value of long-term financial instruments approximate carrying values since actual rates approximate market rates.

16. CONTINGENCIES AND COMMITMENTS

Operating Leases

The Company is committed to and contingently liable for annual rental payments for premises and equipment as follows:

2006	$ 554,731
2007	575,862
2008	439,775
2009	390,814
2010	353,242
	$ 2,314,424

17. SEGMENTED INFORMATION

Glass sales and installation - Solarseal Windows Limited (formerly Henry J. Thomas & Son Limited) operates in the province of Newfoundland; Northfield Glass Group Inc. operates in the provinces of Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland.

Other - Corporate activities and other.

	2005	2004
Revenues		
Glass sales and installation	**$ 25,557,891**	$ 21,836,562
Other	**3,983,257**	3,507,383
	$ 29,541,148	$ 25,343,945
Earnings before income taxes		
Glass sales and installation	**$ 441,578**	$ 40,043
Other	**3,339,127**	2,750,291
	$ 3,780,705	$ 2,790,334
Additions to property, plant and equipment		
Glass sales and installation	**$ 1,694,471**	$ 291,312
Other	**4,333**	-
	$ 1,698,804	$ 291,312

17. SEGMENTED INFORMATION (continued)

	2005	2004
Total assets		
Glass sales and installation	**$ 12,490,950**	$ 10,148,001
Other	**13,220,962**	12,242,229
	$ 25,711,912	$ 22,390,230
Amortization expense		
Glass sales and installation	**$ 536,018**	$ 465,322
Other	**2,300**	2,349
	$ 538,318	$ 467,671

18. COMPARATIVE FIGURES

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2005 consolidated financial statements.