

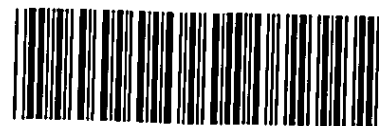
1945129

KETTANEH CONSTRUCTION HOLDINGS PLC

Report and Accounts
31 December, 2006

MACFARLANES
10 Norwich Street
London
EC4A 1BD

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13/07/2007
COMPANIES HOUSE

Kettaneh Construction Holdings Plc

Registered No 1945129

DIRECTORS

N Kettaneh

L F Kettaneh

SECRETARY

R Rizk

REGISTERED OFFICE

10 Norwich Street

London EC4A 1BD

DIRECTORS' REPORT

The Directors present their report and the unaudited accounts of the Company for the year ended 31st December 2006

The Company has passed a Special Resolution on 31st January 2002, under s252 of the Companies Act 1985, exempting itself from submitting audited accounts on the grounds that it is a dormant Company

RESULTS AND DIVIDENDS

The accounts show the result for the year as nil (2005 - nil) The directors do not propose the payment of a dividend

PRINCIPAL ACTIVITIES

The principal activity of the company was as an investment holding company

DIRECTORS

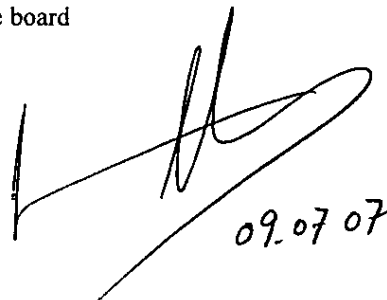
The Directors of the company throughout the year were as follows

N Kettaneh
L F Kettaneh

None of the directors had any interest requiring disclosure under the Companies Act 1985

On behalf of the board

Director



09.07.07

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS**

Company law requires the directors to prepare accounts 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 accounts, the directors are required to

- * select suitable accounting policies and then apply them consistently,
- * make judgments and estimates that are reasonable and prudent,
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts,
- * prepare the accounts 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 enable them to ensure that the accounts 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.

Kettaneh Construction Holdings Plc

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2006

	<i>Notes</i>	<i>2006</i> £	<i>2005</i> £
TURNOVER		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation	2	-	-
		<hr/>	<hr/>
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		<hr/>	<hr/>

Kettaneh Construction Holdings Plc

BALANCE SHEET

at 31 December 2006

	Notes	2006 £	2005 £
CALLED UP SHARE CAPITAL UNPAID	5	37,500	37,500
FIXED ASSETS			
Investment	3	1,000	1,000
CURRENT ASSETS			
Debtors	4	10,383	10,383
CREDITORS amounts falling due within one year		-	-
NET CURRENT ASSETS		10,383	10,383
TOTAL ASSETS LESS CURRENT LIABILITIES		48,883	48,883
CAPITAL AND RESERVES			
Called up share capital	5	50,000	50,000
Profit and loss account	6	(1,117)	(1,117)
Shareholders' funds		48,883	48,883

(a) For the year ended 31 12 2006 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985

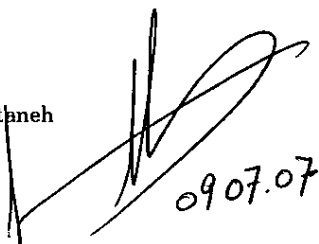
(b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985

(c) The directors acknowledge their responsibility for

- i ensuring the company keeps accounting records which comply with section 221, and
- ii preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company

N C Kettaneh

Director


0907.07

NOTES TO THE ACCOUNTS
at 31 December 2006

1 ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

Cash flow statement

The company has taken advantage of the exemption under FRS 1 not to prepare a statement of cash flow

Basis of preparation

Kettaneh Construction Holdings Plc owns 10% of the share capital of Kettaneh Construction International Limited (KCI). This shareholding carries full control of the composition of the board of directors of KCI. This constitutes a holding in a subsidiary under Section 258 of the Companies Act 1985.

Consolidated accounts have not been prepared because the voting rights attaching to the remaining shares in KCI represent a severe long term restriction which substantially hinders the ability of Kettaneh Construction Holdings Plc to exercise this right.

Investments

Investments are stated at cost after providing for any permanent diminution in value.

The carrying value of fixed assets investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying values may not be recoverable.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

2 TAXATION

Corporation tax payable is provided on taxable profits at the current rate.

Kettaneh Construction Holdings Plc

NOTES TO THE ACCOUNTS at 31 December 2006

3 FIXED ASSET INVESTMENT

	2006 £	2005 £
Investment at cost	1,000 =====	1,000 =====

The investment above comprises 10% of the ordinary share capital of KCI, a company incorporated in Guernsey

The group profit of KCI for the year ended 31 December 2006 was US\$ 9,134,000 (2005 profit - US\$ 3,230,000) and its consolidated share capital and reserves were US\$ 27,023,000 (2005 - US\$ 18,373,000)

4 DEBTORS

	2006 £	2005 £
Due from subsidiary undertaking	10,383 =====	10,383 =====

5 CALLED UP SHARE CAPITAL

	<i>Authorised No</i>	<i>Allotted and called up £</i>	<i>2006 and fully paid £</i>	<i>2005 not paid £</i>
Ordinary shares of £1 each	50,000 =====	50,000 =====	12,500 =====	37,500 =====

NOTES TO THE ACCOUNTS
at 31 December 2006

6 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 31 December 2004	50,000	(1,117)	48,883
Retained (Loss)/Profit for the year	-	-	-
At 31 December 2005	50,000	(1,117)	48,883
Retained (Loss)/Profit for the year	-	-	-
At 31 December 2006	<u>50,000</u>	<u>(1,117)</u>	<u>48,883</u>

7 RELATED PARTIES

In the opinion of the directors, the ultimate parent company and controlling party is Kettaneh Freres Anstalt, a company incorporated with limited liability under the laws of Liechtenstein