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REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2002
FOR
CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY



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CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

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FOR THE YEAR ENDED 31ST MARCH 2002

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CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2002

DIRECTORS:	Yousif Mirjan Yahya Mirjan
SECRETARY:	Yahya Mirjan
REGISTERED OFFICE:	Westminster House Pensbury Place 35 Pensbury Place Off: Wandsworth Road London SW8 4TR
REGISTERED NUMBER:	2463674 (England and Wales)
AUDITORS:	Hamsun & Hogate Chartered Accountants & Registered Auditors 2 Bramber Court 2 Bramber Road West Kensington London W14 9PA
BANKERS:	NatWest Bank 180 Brompton Road London London SW3 1HL

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2002

The directors present their report with the financial statements of the company for the year ended 31st March 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of selling of marble, granite and general building contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £16.666 per share.

The total distribution of dividends for the year ended 31st March 2002 will be £100,000.

DIRECTORS

The directors during the year under review were:

Yousif Mirjan
Yahya Mirjan

The beneficial interests of the directors holding office on 31st March 2002 in the issued share capital of the company were as follows:

	31.3.02	1.4.01
Ordinary £1 shares		
Yousif Mirjan	3,000	3,000
Yahya Mirjan	3,000	3,000

STATEMENT OF 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.

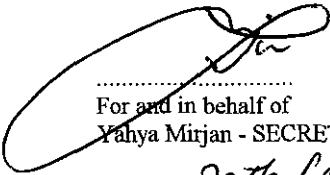
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Hamsun & Hogate, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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:


.....
For and in behalf of
Yahya Mirjan - SECRETARY

Dated: 20th Sept. 2002

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
CIC LIMITED

We have audited the financial statements of CIC Limited for the year ended 31st March 2002 on pages four to nine. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

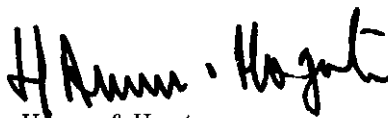
Basis of audit opinion

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 31st March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hamsun & Hogate
Chartered Accountants &
Registered Auditors
2 Bramber Court
2 Bramber Road
West Kensington
London W14 9PA

Dated:  20th September 2002

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2002

		2002	2001
	Notes	£	£
TURNOVER		2,164,358	1,768,637
Cost of sales		1,504,367	1,129,466
GROSS PROFIT		659,991	639,171
Administrative expenses		434,460	495,753
OPERATING PROFIT	2	225,531	143,418
Interest receivable and similar income	3	47,319	49,695
		272,850	193,113
Interest payable and similar charges	4	4,682	62
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		268,168	193,051
Tax on profit on ordinary activities	5	80,485	64,478
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		187,683	128,573
Dividends		100,000	80,000
		87,683	48,573
Retained profit brought forward		591,805	543,232
RETAINED PROFIT CARRIED FORWARD		£679,488	£591,805

The notes form part of these financial statements

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

BALANCE SHEET
31ST MARCH 2002

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		161,226		177,349
CURRENT ASSETS:					
Stocks	7	140,578		128,630	
Debtors	8	737,192		583,405	
Cash at bank and in hand		170,440		184,542	
		1,048,210		896,577	
CREDITORS: Amounts falling due within one year	9	523,948		476,121	
NET CURRENT ASSETS:			524,262		420,456
TOTAL ASSETS LESS CURRENT LIABILITIES:			£685,488		£597,805
CAPITAL AND RESERVES:					
Called up share capital	10		6,000		6,000
Profit and loss account			679,488		591,805
SHAREHOLDERS' FUNDS:			£685,488		£597,805

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:



.....
YOUSIF MIRJAN - DIRECTOR

Approved by the Board on 20/9/02

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings	- Over the term of the Lease
Machinery & Equipment	- 15% on reducing balance
Furniture & Equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks and Work In Progress

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Stock is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress is stated at cost after taking into account any foreseeable losses.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Where assets are financed by leasing or hire purchase agreements, the assets are treated as if they were purchased. The present value of lease payable during the lease term is capitalised as tangible assets and the corresponding lease commitment is included as liability.

The hire purchase instalments are apportioned between interest and capital. Interest is charged to profit and loss account and the principal amount is charged to reduce the capital account.

All other leases are treated as operating leases. Their rentals are charged to profit and loss account on a payable basis.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Depreciation - owned assets	29,981	35,620
Loss on disposal of fixed assets	-	3,456
Auditors' remuneration	5,500	4,568
Operating leases	90,000	90,000
	<u> </u>	<u> </u>
Directors' emoluments	12,000	12,718
	<u> </u>	<u> </u>

The directors' emoluments includes benefits-in-kind.

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002	2001
	£	£
Deposit account interest	2,319	4,695
Rents received	45,000	45,000
	<u>47,319</u>	<u>49,695</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	2002	2001
	£	£
Bank interest	4,682	12
Hire Purchase Interest	-	50
	<u>4,682</u>	<u>62</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2002	2001
	£	£
UK corporation tax	80,485	56,402
Taxation under/(over) Prior Years	-	8,076
	<u>80,485</u>	<u>64,478</u>

UK corporation tax has been charged at 30% (2001 - 30%).

6. TANGIBLE FIXED ASSETS

	Buildings	Machinery & Equipment	Furniture & Equipment	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1st April 2001	35,509	138,188	51,992	58,023	283,712
Additions	3,584	5,795	729	3,750	13,858
	<u>39,093</u>	<u>143,983</u>	<u>52,721</u>	<u>61,773</u>	<u>297,570</u>
At 31st March 2002					
DEPRECIATION:					
At 1st April 2001	3,551	54,567	23,074	25,171	106,363
Charge for year	3,909	13,412	4,447	8,213	29,981
	<u>7,460</u>	<u>67,979</u>	<u>27,521</u>	<u>33,384</u>	<u>136,344</u>
At 31st March 2002					
NET BOOK VALUE:					
At 31st March 2002	<u>31,633</u>	<u>76,004</u>	<u>25,200</u>	<u>28,389</u>	<u>161,226</u>
At 31st March 2001	<u>31,958</u>	<u>83,621</u>	<u>28,918</u>	<u>32,852</u>	<u>177,349</u>

The cost of building includes Workshop for £39093.

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

7. STOCKS

	2002	2001
	£	£
Stock - Resale	87,744	91,496
Work in progress-Short Term	52,834	37,134
	<u>140,578</u>	<u>128,630</u>

8. DEBTORS

	2002	2001
	£	£
Amounts falling due within one year:		
Trade debtors	280,346	241,838
Prepayments	4,562	1,422
Other Debtor	227,051	114,912
	<u>511,959</u>	<u>358,172</u>
Amounts falling due after more than one year:		
Other Debtor	<u>225,233</u>	<u>225,233</u>
Aggregate amounts	<u>737,192</u>	<u>583,405</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade creditors	187,851	191,507
Directors current account		
—Mr Yahya Mirjan	72,954	14,588
Directors current account		
—Mr Yousif Mirjan	96,898	22,188
Dividend proposed	-	80,000
V.A.T.	55,224	48,744
Social security & other taxes	16,258	21,907
Net wages	21	4,719
Taxation	80,488	64,450
Accrued expenses	14,254	28,018
	<u>523,948</u>	<u>476,121</u>

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002	2001
			£	£
6,000	Ordinary	£1	<u>6,000</u>	<u>6,000</u>

11. CONTINGENT LIABILITIES

The company signed a composite guarantee on 22 December 1998 made between CIC Ltd, Endureshare Ltd and GMI Ltd with the bank to secure the borrowings of Endureshare Ltd. The borrowing of Endureshare Ltd. at the year end was £634,004.

CIC LIMITED
TRADING AS CONTRACTING INCORPORATED COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

12. OTHER FINANCIAL COMMITMENTS

At 31 March 2002 the company had annual commitments under non-cancellable operating leases as set out below:

	2002	2001
	£	£
Operating leases which expire: in over five years	90000	100260

13. RELATED PARTY DISCLOSURES

Granite and Marble International Ltd, European Heritage Ltd and Endushare Ltd are related companies. The details of equity interest of the directors of CIC Ltd, who are also directors of these companies and the trading transactions are as follows:

	G.M.I Ltd	E.H Ltd	Endushare Ltd
Equity interest of directors	100%	66%	100%
Sales	£685460	£Nil	£Nil
Purchases	£Nil	£1668	£Nil
Rent Paid	£Nil	£Nil	£90000
Rent Received	£45000	£Nil	£Nil
Loan	£Nil	£Nil	£225233

All transactions between the related companies were of a trading nature (except for the loan to Enduresshare Ltd. and intercompany balances transfers) and prices charged were determined at arm's length.

The movements in the directors current accounts are of a non-trading nature.

14. CONTROLLING PARTIES

The directors of the company are the controlling parties.

15. CHARITABLE DONATIONS

As at 31 march 2002 the company made the following charitable donations to various charitable organisations:

Arab Women Association	£1,600
Medical Aid For Iraqi Children	£1,750
National Deaf Children Society	£ 200
Little Sister Of The Poor	£ 50
	<u>£3,600</u>