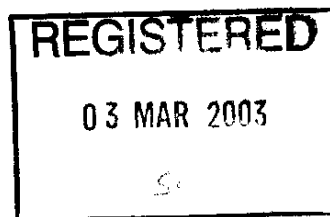


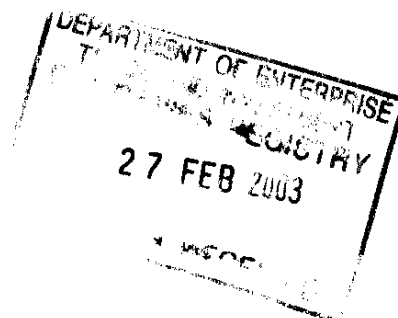
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CIC PROPERTIES LIMITED

Report and Financial Statements

30 April 2002



CIC Properties Limited

Registered No. NI 32178

DIRECTORS

R A Scott
G R Scott
C D Scott

SECRETARY

C Kirkpatrick

AUDITORS

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

BANKERS

Northern Bank Limited
9 Donegall Square North
Belfast BT1 5GH

Ulster Bank Limited
11-16 Donegall Square East
Belfast BT1 5UB

First Trust Bank
34/36 Market Square
Lisburn
BT28 1AF

SOLICITORS

Tughan & Co
Marlborough House
30 Victoria Street
Belfast
BT1 3GS

Simons Muirhead & Burton
54 Marshall Street
Soho
London

REGISTERED OFFICE

6 Saintfield Road
Lisburn
Co Antrim
BT27 5BD

CIC Properties Limited

DIRECTORS' REPORT

The directors present their report and the group financial statements for the year ended 30 April 2002.

RESULTS AND DIVIDENDS

The group profit after taxation for the year amounted to £2,021,795 which is dealt with as shown in note 23.

The directors paid a dividend of £8,500,000 during the year resulting in a loss retained for the financial year of £6,478,205.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The group's principal activities during the year were the development and sale of properties and property management.

MARKET VALUE OF LAND AND BUILDINGS

The valuation of the group's investment properties was reviewed by the directors on 30 April 2002 and they concluded that no revision in the valuation was necessary. The valuation in these financial statements is £1,500,380 (2001 - £1,500,380).

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year were as stated on page 1.

Under Article 22 the directors are not required to retire by rotation.

According to the register maintained as required under the Companies (Northern Ireland) Order 1986, the directors' interests in the share capital of the company were as follows:

	<i>30 April 2002</i>	<i>30 April 2001</i>
R A Scott	1	1
C D Scott	1	1

CIC Properties Limited

DIRECTORS' REPORT

AUDITORS

Ernst & young LLP has expressed its willingness to continue in office as auditors and a resolution proposing its reappointment will be submitted at the annual general meeting.

On behalf of the board



Director

16 September 2002

 ERNST & YOUNG

CIC Properties Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 group and of the profit or loss of the group 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 group 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 group and to enable them to ensure that the financial statements comply with the Companies (Northern Ireland) Order 1986. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CIC Properties Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIC PROPERTIES LIMITED

We have audited the company's financial statements for the year ended 30 April 2002, which comprise the Group Profit and Loss Account, Statement of Total Recognised Gains and Losses, Group Balance Sheet, Balance Sheet, Group Cash Flow Statement and the related notes 1 to 27. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and 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 (Northern Ireland) Order 1986. We also report to you if, in our opinion, the Directors' Report 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 Directors' Report 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 affairs of the group and of the company as at 30 April 2002 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

Ernst & Young
Registered Auditor

Belfast

16 September 2002

CIC Properties Limited

GROUP PROFIT AND LOSS ACCOUNT for the year ended 30 April 2002

			<i>As restated</i>
		2002	2001
	<i>Notes</i>	£	£
TURNOVER	3	12,277,955	22,151,473
COST OF SALES		8,673,769	16,650,215
GROSS PROFIT		3,604,186	5,501,258
Other operating income		100,000	75,000
Administrative expenses		(235,351)	(178,691)
Profit from interests in associated companies		507,375	360
GROUP OPERATING PROFIT	4	3,976,210	5,397,927
Other income	7	55,263	81,880
Interest payable and similar charges	8	(845,469)	(915,731)
Share of associated companies interest		(365,883)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,820,121	4,564,076
Taxation charge	9	798,326	1,368,043
PROFIT FOR THE FINANCIAL YEAR	22	2,021,795	3,196,033
Dividends	11/22	(8,500,000)	-
(LOSS)/PROFIT RETAINED FOR THE FINANCIAL YEAR		(6,478,205)	3,196,033

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £2,021,795 (2001 - £3,196,033).

CIC Properties Limited

GROUP BALANCE SHEET at 30 April 2002

ERNST & YOUNG

	Notes	2002 £	As restated 2001 £
FIXED ASSETS			
Tangible assets	12	1,532,380	1,538,253
Investments	13	1,306,880	1,682,046
		<u>2,839,260</u>	<u>3,220,299</u>
CURRENT ASSETS			
Stocks	14	29,177,088	29,543,812
Debtors	15	6,745,837	10,203,251
Cash at bank and in hand		838,711	2,516,242
		<u>36,761,636</u>	<u>42,263,305</u>
CREDITORS - amounts falling due within one year	17	16,633,837	15,599,210
NET CURRENT ASSETS		<u>20,127,799</u>	<u>26,664,095</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,967,059</u>	<u>29,884,394</u>
CREDITORS - amounts falling due after more than one year	18	(8,165,346)	(8,604,476)
PROVISIONS FOR LIABILITIES AND CHARGES		-	-
		<u>14,801,713</u>	<u>21,279,918</u>
CAPITAL AND RESERVES			
Called up share capital	21	100	100
Revaluation reserve	22	832,381	832,381
Other reserves	22	(452,555)	(452,555)
Profit and loss account	22	14,421,787	20,899,992
	23	<u>14,801,713</u>	<u>21,279,918</u>

Directors

16 September 2002

CIC Properties Limited

BALANCE SHEET

at 30 April 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Investments	13	452,555	452,555
CURRENT ASSETS			
Debtors	15	2,978,552	11,480,053
Cash at bank and in hand		36	51
		<u>2,978,588</u>	<u>11,480,104</u>
CREDITORS - amounts falling due within one year	17	1,500	1,500
NET CURRENT ASSETS		<u>2,977,088</u>	<u>11,478,604</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,429,643</u>	<u>11,931,159</u>
CAPITAL AND RESERVES			
Called up share capital	21	100	100
Profit and loss account	22	3,429,543	11,931,059
		<u>3,429,643</u>	<u>11,931,159</u>

ERNST & YOUNG

Directors

16 September 2002

CIC Properties Limited

GROUP STATEMENT OF CASH FLOWS at 30 April 2002

	Notes	2002 £	2001 £
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	4(b)	5,523,797	(974,763)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Dividends received from associates		550,000	1,525,000
Interest received		55,263	81,880
Interest paid		(845,469)	(915,731)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(240,206)	691,149
TAXATION			
UK corporation tax paid		(568,378)	(324,980)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(2,124)	(8,093)
Payments to acquire other investments		(31,966)	(31,496)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(34,090)	(39,589)
EQUITY DIVIDENDS PAID		(8,500,000)	-
NET CASH OUTFLOW BEFORE FINANCING		(3,818,877)	(648,183)
FINANCING			
Repayment of bank term loan	20	(439,130)	(157,977)
(Increase)/decrease in loan due from parent undertaking	16	2,296,988	(1,150,000)
Short term loans repaid		168,885	(3,043,402)
New short term loans		-	7,805,900
NET CASH INFLOW FROM FINANCING	16	2,026,743	3,454,521
(DECREASE)/INCREASE IN CASH		(1,792,134)	2,806,338
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
(Decrease)/increase in cash in period	16	(1,792,134)	2,806,338
Cash inflow from increase in debt	16	(2,026,743)	-
New short term loans		-	(3,454,521)
MOVEMENT IN NET DEBT		(3,818,877)	(648,183)
NET DEBT AT 1 MAY	17	(17,493,173)	(16,844,990)
NET DEBT AT 1 APRIL	17	(21,312,050)	(17,493,173)

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

at 30 April 2002

1. BASIS OF PREPARATION

No profit and loss account is present for CIC Properties Limited as permitted by Article 236(7) of the Companies (Northern Ireland) Order 1986.

Undertakings other than subsidiary undertakings in which the group has an investment representing not less than 20% of the voting rights and over which it exerts significant influence are treated as associated undertakings. The group accounts include the appropriate share of these undertakings' results and reserves based on audited accounts (except where otherwise stated) in respect of the following period ends:

Eastonsco Holdings Limited - 30 September 2001

2. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention modified to include the revaluation of investment properties. The financial statements are prepared in accordance with applicable accounting standards. The true and fair override provisions of the Companies (Northern Ireland) Order 1986 have been invoked, see 'Investment Properties' below

Properties

Certain of the group's properties are held for long term investment and with effect from 30 April 1991 in accordance with SSAP 19:

- (a) such properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve; and
- (b) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties where the unexpired lease term is 20 years or more.

Although the Companies Order would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

Depreciation

Depreciation is provided on all tangible fixed assets other than investment properties, at rates calculated to write off cost or valuation of each asset over its expected useful life as follows:

Vehicles	25% on annual written down value
Other	20% on annual written down value

Goodwill

Goodwill arising on acquisitions prior to 31 December 1997 was set off directly against reserves. Goodwill previously eliminated against reserves has not been reinstated on implementation of FRS 10.

Positive goodwill arising on acquisitions since 1 January 1998 is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS
at 30 April 2002

2. **ACCOUNTING POLICIES** (continued)

If a subsidiary or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

Stocks

Properties are stated at the lower of cost and estimated market value.

Cost incurred is actual cost of construction including interest to the date of completion.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less, or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Lease commitments

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Profits on sale of properties

Profits on sale of properties are taken into account on the completion of contract. Profits arising from the sale of trading properties are included in the profit and loss account as part of the ordinary activities of the group.

3. **TURNOVER**

Turnover represents rent and recharges charged to tenants and proceeds of sale of trading properties and is stated exclusive of VAT.

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

at 30 April 2002

4. GROUP OPERATING PROFIT

(a) This is stated after charging:

	2002	2001
	£	£
Auditors' remuneration	14,500	13,800
Depreciation of owned assets	7,996	8,030
Operating lease rentals - land and buildings	37,811	40,658

(b) Reconciliation of operating profit to net cash inflow/(outflow) from operating activities:

	2002	2001
	£	£
Operating profit	3,976,210	5,397,927
Depreciation	7,997	8,030
Profit from interests in associated undertakings	(507,375)	(360)
Decrease/(increase) in debtors	895,288	(1,882,820)
Decrease/(increase) in stocks	366,724	(4,474,636)
Increase/(decrease) in creditors	784,953	(22,904)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	5,523,797	(974,763)

5. DIRECTORS' REMUNERATION

	2002	2001
	£	£
Emoluments (including pension contributions)	250,000	250,000
Emoluments (excluding pension contributions) of highest paid director	250,000	250,000

Directors emoluments include a charge of £250,000 (2001 - £250,000) by Bitton Management Services Limited for the provision of services of Mr R A Scott in connection with the company's affairs.

6. STAFF COSTS

There were no employees in the group who received remuneration during the year.

7. OTHER INCOME

	2002	2001
	£	£
Bank interest receivable	55,263	81,880

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank loans and overdrafts wholly repayable within five years	7,556	11,564
Other loans not wholly repayable within five years	837,913	904,167
	<u>845,469</u>	<u>915,731</u>

9. TAX CHARGE

The taxation charge is made up as follows:

	2002 £	<i>As restated</i> 2001 £
Based on the profit for the year		
Corporation tax at 30% (2001 – 30%)	536,859	412,864
Deferred taxation	265,137	957,087
	<u>801,996</u>	<u>1,369,951</u>
Corporation tax over provided in previous years	(2,294)	(1,908)
	<u>799,702</u>	<u>1,368,043</u>
Share of associate company tax	(1,376)	-
	<u>798,326</u>	<u>1,368,043</u>

The taxation for the year is less than the standard rate of corporation tax in the UK (30%). The differences explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	2,820,121	4,564,076
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 30%	846,036	1,369,223
Effects of:		
Utilisation of tax losses brought forward	(266,187)	(957,353)
Timing differences – associated company	(42,449)	-
Marginal rate relief	(5,196)	(2,323)
Adjustments for previous periods	(2,294)	(1,908)
Capital allowances in excess of depreciation	443	266
Non-qualifying depreciation	757	1,364
Disallowed expenses	3,455	1,687
	<u>534,565</u>	<u>410,956</u>
Current year corporation tax	536,859	412,864
Prior year corporation tax	(2,294)	(1,908)
	<u>534,565</u>	<u>410,956</u>

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

10. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the accounts of the parent company was £1,516 (2001 – loss £1,536).

11. DIVIDENDS

	2002 £	2001 £
Dividends paid	8,500,000	-

12. TANGIBLE FIXED ASSETS

Group

	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation:			
At 1 May 2001	1,500,380	66,014	1,566,394
Additions	-	2,124	2,124
At 30 April 2002	1,500,380	68,138	1,568,518
Depreciation:			
At 1 May 2001	-	28,141	28,141
Provided during the year	-	7,997	7,997
At 30 April 2002	-	36,138	36,138
Net book value at 30 April 2002	1,500,380	32,000	1,532,380
Net book value at 1 May 2001	1,500,380	37,873	1,538,253

The net book value of land and buildings comprises:

	2002 £	Group 2001 £
Investment properties:		
Freehold	592,631	592,631
Long leasehold	907,749	907,749
	1,500,380	1,500,380

No depreciation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The directors consider that this accounting policy is necessary for the accounts to give a true and fair view.

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

13. INVESTMENTS

Group

Associated undertakings

	<i>Share of net tangible assets £</i>
At 1 May 2001	1,338,801
Share of profit of associated undertakings	142,868
Share of dividend paid	(550,000)
At 30 April 2002	<u>931,669</u>

An analysis of the cost of investment and the reserves is as follows:

	<i>Cost of investment £</i>	<i>Revaluation reserve £</i>	<i>Profit and loss account reserves £</i>	<i>Total £</i>
Opening balance	100	832,381	506,320	1,338,801
Share of profit for the year	-	-	142,868	142,868
Share of dividends paid	-	-	(550,000)	(550,000)
Closing balance	<u>100</u>	<u>832,381</u>	<u>99,188</u>	<u>931,669</u>

Group

Other fixed asset investments

	<i>Mortgage Redemption policy (at cost) £q</i>
At 1 May 2001	343,245
Additions	31,966
At 30 April 2002	<u>375,211</u>

This represents the annual premiums paid on an endowment policy on the life of a director.

	<i>2002 £</i>	<i>2001 £</i>
Associated undertakings	931,669	1,338,801
Other fixed asset investments	375,211	343,245
	<u>1,306,880</u>	<u>1,682,046</u>

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

13. INVESTMENTS (continued)

Company

*Subsidiary
Undertakings
£*

Cost:

At 1 May 2001 and 30 April 2002

452,555

Details of the investments in which the group or the company holds more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Proportion Holding</i>	<i>held</i>	<i>Nature of business</i>
Subsidiary undertakings:				
<i>Group</i>				
Ulster Properties Limited	Northern Ireland	Ordinary	100%	Property Development
Windsor Securities Limited	Northern Ireland	Ordinary	100%	Property Development and management
HT Homes Limited	Northern Ireland	Ordinary	100%	Dormant
Myarno Holdings Limited	Jersey	Ordinary	100%	Dormant
Windsor Developments Limited	Northern Ireland	Ordinary	100%	Property Development
<i>Company</i>				
Ulster Properties Limited	Northern Ireland	Ordinary	100%	Property development

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

13. INVESTMENTS (continued)

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Associated undertakings:				
<i>Group</i>				
Eastonsco Holdings Limited	Northern Ireland	Ordinary	50%	Property management
Windsor Fairlawn developments Limited	Northern Ireland	Ordinary	50% development	Property

14. STOCKS

	<i>2002</i>	<i>Group 2001</i>	<i>2002</i>	<i>Company 2001</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Properties	29,177,088	29,543,812	-	-

15. DEBTORS

	<i>2002</i>	<i>Group As restated 2001</i>	<i>2002</i>	<i>Company 2001</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade debtors	2,617,813	1,831,525	-	1,500,000
Other debtors	3,609,580	5,291,156	-	-
Amounts owed by parent undertaking	-	2,296,988	-	-
Amounts owed by subsidiary undertakings	-	-	2,978,552	9,980,053
Deferred taxation	518,444	783,582	-	-
	6,745,837	10,203,251	2,978,552	11,480,053

A deferred tax asset has been recognised as a result of trade losses carried forward against future taxable profits of the group of £701,478 (2001 - £967,058). This has been offset with a deferred tax liability of £183,034 (2001 - £183,476) relating to capital allowances in advance of depreciation.

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

16. ANALYSIS OF NET DEBT

	<i>At 1 May 2001</i>	<i>Cash outflow/ (inflow)</i>	<i>At 30 April 2002</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Cash at bank and in hand	2,516,242	(1,677,531)	838,711
Bank overdrafts and short term loans	(13,701,927)	(283,488)	(13,985,415)
Long term loans	(8,604,476)	439,130	(8,165,346)
Loan due from parent undertaking	2,296,988	(2,296,988)	-
	<u>(17,493,173)</u>	<u>(3,818,877)</u>	<u>(21,312,050)</u>

17. CREDITORS: amounts falling due within one year:

	<i>2002</i>	<i>Group 2001</i>	<i>2002</i>	<i>Company 2001</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Bank loans and overdraft (note 20)	13,729,249	13,445,761	-	-
Current instalment due on long term bank loan (note 20)	256,166	256,166	-	-
Corporation tax	390,050	423,864	-	-
Other creditors	1,006,887	162,970	-	-
Directors loans	13,957	-	-	-
Accruals and deferred income	1,237,528	1,310,449	1,500	1,500
	<u>16,633,837</u>	<u>15,599,210</u>	<u>1,500</u>	<u>1,500</u>

The bank loans are repayable on demand or, if earlier, on subsequent disposal of the property. Repayment terms are negotiable. Details of the long term loan are given in note 18. Interest rates are variable and range from 1% to 1.25% above base rate.

The bank loans and overdrafts are secured by first or second mortgages on certain investment properties and on all the property stocks of certain of its subsidiary undertakings and a guarantee by the company.

In addition there is a floating charge on the assets and undertaking of the company and certain subsidiary undertakings together with a fixed charge on their book debts and unlimited cross guarantees completed by certain subsidiary undertakings.

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

18. CREDITORS: amounts falling due after more than one year

	2002	Group 2001	2002	Company 2001
	£	£	£	£
Loans (note 20)	8,165,346	8,604,476	-	-

Included in the above loans at 30 April 2002 is a bank loan of £869,199 (2001 - £1,308,329) which bears a fixed rate of interest of 8.975% and is secured on the book debts of the group, a fixed charge over the assets of certain properties held by certain subsidiary undertakings, a floating charge over the assets and undertaking of certain subsidiary undertakings and unlimited cross guarantees completed by certain group companies.

The other loans (£7,296,147 at 30 April 2002) are repayable after more than one year, are unsecured and are interest free.

19. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Commitments under non-cancellable operating leases are as follows:

Group and company

	2002		2001	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire over five years	40,000	-	40,000	-

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

20. LOANS

	2002	Group 2001	2002	Company 2001
	£	£	£	£
Bank loans in one year or less (note 18)	13,985,415	13,701,927	-	-
Bank loans between one and two years	256,166	256,166	-	-
Bank loans between two and five years	613,033	1,024,665	-	-
Bank loans in five years or more	-	27,498	-	-
	<u>14,854,614</u>	<u>15,010,256</u>	<u>-</u>	<u>-</u>
Other loans due after five years	7,296,147	7,296,147	-	-
Total	<u>22,150,761</u>	<u>22,306,403</u>	<u>-</u>	<u>-</u>

Details of the security given on the bank loans are set out in notes 18 and 19.

Other loans

These loans will be repayable after more than five years and are interest free.

	Notes	2002 £	Group 2001 £	2002 £	Company 2001 £
Total amounts due within one year	18	13,985,415	13,701,927	-	-
Amounts due after more than one year	19	8,165,346	8,604,476	-	-
		<u>22,150,761</u>	<u>22,306,403</u>	<u>-</u>	<u>-</u>

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

at 30 April 2002

21. SHARE CAPITAL

Authorised:

	2002 £	2001 £
Ordinary shares of £1 each	10,000	10,000

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary shares of £1 each	100	100

22. RESERVES

Group

	<i>Investment property revaluation reserve</i> £	<i>Other reserves</i> £	<i>Profit and loss account</i> £	<i>Total</i> £
At 1 May 2000 – as previously reported	712,401	(452,555)	15,302,831	15,562,677
Prior period adjustment - deferred taxation	-	-	1,924,411	1,924,411
- associate company	119,980	-	476,717	596,697
At 1 May 2000 as restated	832,381	(452,555)	17,703,959	18,083,785
Profit for year			3,196,033	3,196,033
At 1 May 2001 as restated	832,381	(452,555)	20,899,992	21,279,818
Profit for the year			2,021,795	2,021,795
Dividend			(8,500,000)	(8,500,000)
At 30 April 2002	832,381	(452,555)	14,421,787	14,801,613

The prior year adjustment in respect of deferred taxation relates to the recognition of unutilised taxation losses in accordance with the adoption of a new accounting standard, FRS 19. The associate prior year adjustment reflects an alteration to the shareholding which subsequently came to light.

Other reserves relates to a merger reserve arising on a group reorganisation.

Company

	<i>Profit and loss account</i> £
At 1 May 2001	11,931,059
Retained loss for the year	(1,516)
Dividends	(8,500,000)
At 30 April 2002	3,429,543

CIC Properties Limited

NOTES TO THE FINANCIAL STATEMENTS at 30 April 2002

23. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2002	<i>As restated</i> 2001
	£	£
Opening shareholders funds (originally £15,562,777 before adding prior year adjustments of £2,521,108)	21,279,918	18,083,885
Total movements during the year	2,021,795	3,196,033
Dividends	(8,500,000)	-
Closing shareholders funds	<u>14,801,713</u>	<u>21,279,918</u>

24. CONTINGENT LIABILITIES

Group

The company has given an unlimited cross-guarantee in respect of the borrowings of certain subsidiary undertakings and an unlimited guarantee in respect of the bank borrowings of G R Homes Limited.

25. FINANCIAL COMMITMENTS

There were commitments in respect of stock purchases at 30 April 2002 amounting to £Nil (2001 - £845,000).

26. ULTIMATE PARENT UNDERTAKING

The ultimate undertaking is Ardmore Limited, a company incorporated in the Isle of Man.

27. RELATED PARTY TRANSACTIONS

During the year the group purchased goods in the normal course of business at arms length from G R Homes Limited for approximately £754,108 (2001 - £1,122,625) GR Scott is a director of G R Homes Limited.