REGISTERED NUMBER: 3134086 (England and Wales)

MIC DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

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MIC DEVELOPMENTS LIMITED

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MIC DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTOR:	M. Carpenter
SECRETARY:	C. Muller-Carpenter
REGISTERED OFFICE:	21 Cricket Green Mitcham Surrey CR4 4LB
ACCOUNTANTS:	Pravin Sodha & Co. Chartered Certified Accountants Registered Auditors 29 Oaklands Way Wallington Surrey SM6 9RR

REPORT OF THE DIRECTOR

The director presents his report together with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of dealers in property and general builders.

REVIEW OF BUSINESS
The results for the year, financial position of the company, and recommended transfer to reserves are as shown in the annexed financial statements.

DIVIDEND
No interim dividend has been paid during the year (2001 - £NIL).
The director recommends that a final dividend of £8,000 be paid (2001 - £7,000).

FIXED ASSETS
Details of fixed assets are stated in note 10 to the financial statements.

DIRECTOR
The director in office during the year and his beneficial interest in the issued share capital was as follows:

Name	Class of Capital	31.12.02	31.12.01
M. Carpenter	Ordinary £1	50	50

DIRECTORS RESPONSIBILITY FOR 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 profit or loss of the company for the financial year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;

- make judgements 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 financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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.

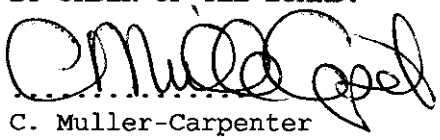
CLOSE COMPANY
In the opinion of the directors the company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

REPORT OF THE DIRECTOR

ACCOUNTANTS
The accountants, Pravin Sodha & Co., will be proposed for re-appointment.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD:



C. Muller-Carpenter

Secretary

Dated: 10 June 2004

ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE DIRECTORS OF MIC DEVELOPMENTS LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2002 set out on pages five to ten, and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Pravin Sodha & Co.
Chartered Certified Accountants
Registered Auditors
29 Oaklands Way
Wallington
Surrey SM6 9RR

Dated: 10 June 2004

MIC DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2002

	Notes	31.12.02 £	31.12.02 £	31.12.01 £	31.12.01 £
TURNOVER	2		600,265		446,198
Cost of Sales			520,596		387,402
GROSS PROFIT			79,669		58,796
Administrative Expenses		39,788		35,009	
Other Operating Charges		1,406		5,388	
			41,194		40,397
			38,475		18,399
Other Operating Income	3		100		12
OPERATING PROFIT	5		38,575		18,411
Interest Receivable	6		1,466		1,466
			40,041		19,877
Interest Payable and Similar Charges	7		1,051		5,142
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			38,990		14,735
Tax on Profit on Ordinary Activities	8		8,408		2,493
PROFIT FOR THE YEAR			30,582		12,242
Dividends	9		8,000		7,000
			22,582		5,242
Retained Profit brought forward			11,534		6,292
RETAINED PROFIT CARRIED FORWARD			£34,116		£11,534

None of the company's activities were acquired or discontinued during the above two financial periods

The company has no recognised gains or losses other than those stated in the profit and loss account

The notes form part of these financial statements

BALANCE SHEET
As at 31 December 2002

	Notes	31.12.02 £	31.12.02 £	31.12.01 £	31.12.01 £
FIXED ASSETS:					
Tangible Assets	10		9,106		11,819
CURRENT ASSETS:					
Stocks	11	38,950		50,216	
Debtors	12	87,642		54,039	
Cash at Bank		14,178		30,775	
		140,770		135,030	
CREDITORS: Amounts falling due within one year	13	115,660		135,215	
NET CURRENT ASSETS			25,110		(185)
TOTAL ASSETS LESS CURRENT LIABILITIES			£34,216		£11,634
CAPITAL AND RESERVES:					
Share Capital	14		100		100
Profit & Loss Account			34,116		11,534
			£34,216		£11,634

a) The company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985
b) No notice has been deposited under section 249B(2) of the Companies Act in relation to its financial statements for the financial year
c) The directors acknowledge their responsibilities for: i) ensuring that the company keeps accounting records which comply with section 221, and ii) preparing financial statements 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 under section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements, so far as applicable to the company.

.....
M. Carpenter - DIRECTOR
Approved by the Board on .10.....June 2004

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2002

1. ACCOUNTING POLICIES

Basis of Accounting
The financial statements have been prepared under the historical cost convention.

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

Tangible Fixed Assets
Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

Plant & Machinery	- 20% on reducing balance
Fixtures & Fittings	- 15% on reducing balance
Motor Vehicles	- 25% on reducing balance

Stocks
Stocks 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.

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

Cash Flow Statement
The Company qualifies as a small company under sections 246 and 247 of the Companies Act 1985. The directors have elected to take advantage of the exemption available under Financial Reporting Standard 1 not to prepare a Cash Flow Statement.

2. TURNOVER

The turnover and profit before taxation is attributable to the one principal activity of the company.

3. OTHER OPERATING INCOME

	2002	2001
	£	£
Rents Received	100	12

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2002

4. STAFF COSTS

	2002	2001
	£	£
Wages and Salaries	19,900	14,000
National Insurance	1,555	635
	21,455	14,635

5. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Director's Emoluments	12,000	10,000
Hire of Plant and Machinery	922	328
Depreciation	2,713	3,554

6. INTEREST RECEIVABLE

	2002	2001
	£	£
Deposit Account Interest	-	15
Other Interest Received	1,466	1,451
	1,466	1,466

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank Loans, Overdrafts and Other Loans repayable within five years	1,051	5,142
	1,051	5,142

8. TAXATION

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

	2002	2001
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax at current rates	7,852	2,493
Underprovision in prior years	556	-
	8,408	2,493

The charge for the year has been increased by expenditure not allowable for taxation.

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2002

9. DIVIDENDS

	2002	2001
	£	£
Dividends Proposed	8,000	7,000

10. TANGIBLE FIXED ASSETS

	Plant & Machinery	Fixtures & Fittings	Motor Vehicles	Totals
	£	£	£	£
COST:				
As at 1 January 2002	4,520	2,555	13,200	20,275
DEPRECIATION:				
As at 1 January 2002	2,768	1,021	4,667	8,456
Charge for Year	350	230	2,133	2,713
	3,118	1,251	6,800	11,169
NET BOOK VALUES:				
As at 31 December 2002	£1,402	£1,304	£6,400	£9,106
As at 31 December 2001	£1,752	£1,534	£8,533	£11,819

11. STOCKS

	2002	2001
	£	£
Stock of Properties	8,150	9,816
Work in Progress	30,800	40,400
	38,950	50,216

12. DEBTORS

	2002	2001
	£	£
Amounts falling due within one year:		
Value Added Tax	1,785	774
Trade Debtors	33,427	32,950
Other Debtors	49,965	17,850
	85,177	51,574
Amounts falling due after more than one year:		
Sundry Loans	2,465	2,465

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2002

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Directors Current Accounts	67,093	70,327
Hire Purchase	-	3,463
Other Creditors	20,008	41,008
Dividend proposed	8,000	7,000
Other Taxes & PAYE	5,030	3,422
Taxation	12,054	3,645
Accrued Expenses	3,475	6,350
	115,660	135,215

14. **CALLED UP SHARE CAPITAL**

			2002	2001
			£	£
Authorised:				
Number:	Class:	Nominal Value:		
1,000	Ordinary	£1	1,000	1,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal Value:		
100	Ordinary	£1	100	100

15. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

The reconciliation of movements in shareholders' funds is as stated in the profit and loss account and the balance sheet.