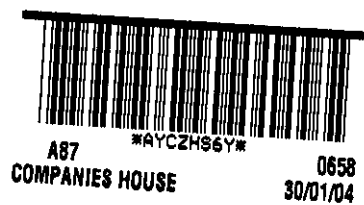


ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003
FOR
CERAMICA IMPEX LIMITED



CERAMICA IMPEX LIMITED

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FOR THE YEAR ENDED 31 MARCH 2003**

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CERAMICA IMPEX LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003

DIRECTORS: Mr H L Namli
Mrs N Baban

SECRETARY: Miss S Beaumont

REGISTERED OFFICE: Springfield House
South Parade
Doncaster
DN1 2EG

REGISTERED NUMBER: 1479217

AUDITORS: Arthur Wigglesworth & Co
Chartered Accountants &
Registered Auditors
Springfield House
South Parade
Doncaster
DN1 2EG

CERAMICA IMPEX LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the import and distribution of ceramic tiles.

REVIEW OF BUSINESS

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

DIVIDENDS

The directors recommend that a final dividend of £2,000 per share be paid. The total distribution of dividends for the year ended 31 March 2003 will be £200,000.

DIRECTORS

The directors during the year under review were:

Mr H L Namli
Mrs N Baban

The beneficial interests of the directors holding office on 31 March 2003 in the issued share capital of the company were as follows:

	31.3.03	1.4.02
Ordinary £1 shares		
Mr H L Namli	100	100
Mrs N Baban	-	-

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.

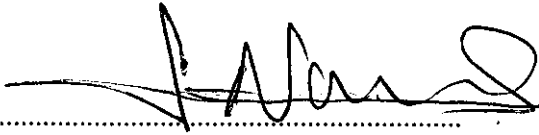
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

CERAMICA IMPEX LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003

AUDITORS

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

ON BEHALF OF THE BOARD:



.....
Mr H L Namli - Director

Date: 20-01-2004

**REPORT OF THE INDEPENDENT AUDITORS TO
CERAMICA IMPEX LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages five to fourteen, together with the full financial statements of the company for the year ended 31 March 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to fourteen are properly prepared in accordance with that provision.



Arthur Wigglesworth & Co
Chartered Accountants &
Registered Auditors
Springfield House
South Parade
Doncaster
DN1 2EG

Date: 23 January 2004

CERAMICA IMPEX LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003**

		2003	2002
	Notes	£	£
GROSS PROFIT		2,090,224	1,493,538
Administrative expenses		1,844,904	1,286,172
OPERATING PROFIT	3	245,320	207,366
Interest receivable and similar income		54,897	70,826
		300,217	278,192
Interest payable and similar charges	4	-	511
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		300,217	277,681
Tax on profit on ordinary activities	5	58,422	59,812
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		241,795	217,869
Dividends	6	200,000	200,000
		41,795	17,869
Retained profit brought forward		969,337	951,468
RETAINED PROFIT CARRIED FORWARD		<u>£1,011,132</u>	<u>£969,337</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

CERAMICA IMPEX LIMITED

**ABBREVIATED BALANCE SHEET
31 MARCH 2003**

		2003		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		85,493		66,741
CURRENT ASSETS:					
Stocks	8	327,785		123,199	
Debtors	9	1,700,523		1,459,500	
Cash at bank and in hand		1,598,295		1,397,548	
		<u>3,626,603</u>		<u>2,980,247</u>	
CREDITORS: Amounts falling due within one year	10	<u>2,700,864</u>		<u>2,077,551</u>	
NET CURRENT ASSETS:			<u>925,739</u>		<u>902,696</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£1,011,232</u>		<u>£969,437</u>
CAPITAL AND RESERVES:					
Called up share capital	12		100		100
Profit and loss account			<u>1,011,132</u>		<u>969,337</u>
SHAREHOLDERS' FUNDS:	13		<u>£1,011,232</u>		<u>£969,437</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:

.....
Mr H L Namli - Director

Approved by the Board on

CERAMICA IMPEX LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003**

		2003	2002
	Notes	£	£
Net cash inflow from operating activities	1	299,390	32,667
Returns on investments and servicing of finance	2	54,897	70,315
Taxation		(60,000)	(57,552)
Capital expenditure	2	(43,540)	(2,392)
Equity dividends paid		(50,000)	(230,000)
Increase/(Decrease) in cash in the period		<u>£200,747</u>	<u>£(186,962)</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		<u>200,747</u>	<u>(186,962)</u>
Change in net funds resulting from cash flows		<u>200,747</u>	<u>(186,962)</u>
Movement in net funds in the period		<u>200,747</u>	<u>(186,962)</u>
Net funds at 1 April		<u>1,397,548</u>	<u>1,584,510</u>
Net funds at 31 March		<u>£1,598,295</u>	<u>£1,397,548</u>

The notes form part of these financial statements

CERAMICA IMPEX LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	245,320	207,366
Depreciation charges	27,343	20,394
Profit on sale of fixed assets	(2,555)	-
(Increase)/Decrease in stocks	(204,586)	8,977
Increase in debtors	(241,023)	(562,679)
Increase in creditors	474,891	358,609
	<u>299,390</u>	<u>32,667</u>
Net cash inflow from operating activities	<u><u>299,390</u></u>	<u><u>32,667</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003 £	2002 £
Returns on investments and servicing of finance		
Interest received	54,897	70,826
Interest paid	-	(511)
	<u>54,897</u>	<u>70,315</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>54,897</u></u>	<u><u>70,315</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(94,440)	(2,392)
Sale of tangible fixed assets	50,900	-
	<u>(43,540)</u>	<u>(2,392)</u>
Net cash outflow for capital expenditure	<u><u>(43,540)</u></u>	<u><u>(2,392)</u></u>

The notes form part of these financial statements

CERAMICA IMPEX LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.02 £	Cash flow £	At 31.3.03 £
Net cash:			
Cash at bank and in hand	1,397,548	200,747	1,598,295
	<u>1,397,548</u>	<u>200,747</u>	<u>1,598,295</u>
 Total	 <u>1,397,548</u>	 <u>200,747</u>	 <u>1,598,295</u>
 Analysed in Balance Sheet			
 Cash at bank and in hand	 1,397,548		 1,598,295
	<u>1,397,548</u>		<u>1,598,295</u>

The notes form part of these financial statements

CERAMICA IMPEX LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Accounting convention

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

Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 50% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2003 £	2002 £
Wages and salaries	1,458,416	1,018,957
Social security costs	182,809	117,704
Other pension costs	920	420
	<u>1,642,145</u>	<u>1,137,081</u>

The average monthly number of employees during the year was as follows:

	2003	2002
Operational	2	2
Administrative	3	3
	<u>5</u>	<u>5</u>

CERAMICA IMPEX LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2003 £	2002 £
Depreciation - owned assets	27,343	20,394
Profit on disposal of fixed assets	(2,555)	-
Auditors' remuneration	13,760	7,415
Operating lease- hire of other assets	28,112	13,311
	<u>1,444,600</u>	<u>996,657</u>
Directors' emoluments	<u>1,444,600</u>	<u>996,657</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2003 £	2002 £
Emoluments etc	1,444,600	996,657
Pension contributions to money purchase schemes	920	420
	<u>1,444,600</u>	<u>996,657</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Bank interest	-	511
	<u>-</u>	<u>511</u>

5. TAXATION

Analysis of the tax charge

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

	2003 £	2002 £
Current tax:		
UK corporation tax	58,422	59,812
	<u>58,422</u>	<u>59,812</u>
Tax on profit on ordinary activities	<u>58,422</u>	<u>59,812</u>

UK corporation tax has been charged at 19.19% (2002 - 20%).

CERAMICA IMPEX LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**

6. DIVIDENDS

	2003 £	2002 £
Equity shares:		
Interim	-	150,000
Final	200,000	50,000
	<u>200,000</u>	<u>50,000</u>
	<u>200,000</u>	<u>200,000</u>

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£
COST:				
At 1 April 2002	47,154	87,595	5,015	139,764
Additions	-	92,300	2,140	94,440
Disposals	-	(87,595)	-	(87,595)
	<u>47,154</u>	<u>92,300</u>	<u>7,155</u>	<u>146,609</u>
At 31 March 2003	47,154	92,300	7,155	146,609
DEPRECIATION:				
At 1 April 2002	30,012	39,250	3,761	73,023
Charge for year	2,571	23,075	1,697	27,343
Eliminated on disposals	-	(39,250)	-	(39,250)
	<u>32,583</u>	<u>23,075</u>	<u>5,458</u>	<u>61,116</u>
At 31 March 2003	32,583	23,075	5,458	61,116
NET BOOK VALUE:				
At 31 March 2003	<u>14,571</u>	<u>69,225</u>	<u>1,697</u>	<u>85,493</u>
At 31 March 2002	<u>17,142</u>	<u>48,345</u>	<u>1,254</u>	<u>66,741</u>

8. STOCKS

	2003 £	2002 £
Stock	<u>327,785</u>	<u>123,199</u>

CERAMICA IMPEX LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade debtors	1,689,973	1,447,498
Other debtors	-	3,295
Prepayments	10,550	8,707
	<u>1,700,523</u>	<u>1,459,500</u>

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

	2003 £	2002 £
Trade creditors	859,651	840,132
Directors current accounts	679,951	498,810
Dividend proposed	200,000	50,000
V.A.T.	149,539	137,853
Social security & other taxes	722,993	476,250
Taxation	58,422	60,000
Accrued expenses	30,308	14,506
	<u>2,700,864</u>	<u>2,077,551</u>

11. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	Land and buildings operating leases	2003 £	2002 £
Expiring:			
In more than five years		<u>30,808</u>	<u>-</u>

CERAMICA IMPEX LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003

12. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2003	2002
Number:	Class:		£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

Allotted, issued and fully paid:		Nominal value:	2003	2002
Number:	Class:		£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	241,795	217,869
Dividends	<u>(200,000)</u>	<u>(200,000)</u>
Net addition to shareholders' funds	<u>41,795</u>	<u>17,869</u>
Opening shareholders' funds	<u>969,437</u>	<u>951,568</u>
Closing shareholders' funds	<u><u>1,011,232</u></u>	<u><u>969,437</u></u>
Equity interests	<u><u>1,011,232</u></u>	<u><u>969,437</u></u>

14. ULTIMATE CONTROL OF THE COMPANY

The company is under the ultimate control of Mr H L Namli, director, who also owns the whole of the issued share capital of the company.