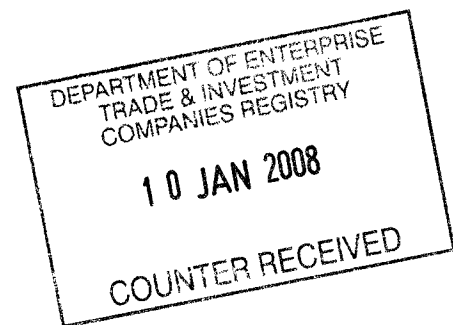




CIC PROPERTIES LIMITED
FINANCIAL STATEMENTS
30 APRIL 2007



Company Registration Number NI 32178



BDO Stoy Hayward
Chartered Accountants

Lindsay House 10 Callender Street
Belfast BT1 5BN
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CIC PROPERTIES LIMITED

FINANCIAL STATEMENTS

PERIOD ENDED 30 APRIL 2007

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CIC PROPERTIES LIMITED**OFFICERS AND PROFESSIONAL ADVISERS**

The board of directors

R A Scott
G R Scott
C D Scott

Company secretary

T Parkinson

Registered office

6 Saintfield Road
Lisburn
Co Antrim
BT27 5BD

Auditor

BDO Stoy Hayward
Chartered Accountants
& Registered Auditors
Lindsay House
10 Callender Street
Belfast
BT1 5BN

Bankers

Northern Bank
8 Donegal Square North
Belfast
BT1 5GJ

Ulster Bank
Donegall Square East
Belfast
BT1 5UB

First Trust Bank
34 -36 Market Square
Lisburn
Co Antrim
BT28 1AG

Solicitors

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

Simons Muirhead & Burton
50 Broadwick Street
Soho
London
W1F 7AG

CIC PROPERTIES LIMITED**THE DIRECTORS' REPORT****PERIOD ENDED 30 APRIL 2007**

The directors have pleasure in presenting their report and the financial statements of the group for the period ended 30 April 2007.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The group's principal activities of the company during the year were the development and sale of properties and property management. The subsidiary and associated undertakings principally affecting the profits or net assets of the group in the year are listed in note 12 to the financial statements.

There have been no events since the balance sheet date which materially affect the position of the company.

Principal risks and uncertainties

The commercial and residential property market remains competitive. The expertise and experience of the directors in the property market mitigates any posed risks from competitors.

The company monitors cash flow as part of its day to day control procedures. The Board considers cash flow projections on a monthly basis and ensures that appropriate facilities are available to be drawn upon as necessary.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £2,417,457. Particulars of dividends paid are detailed in note 10 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, foreign currency risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Interest Rate Risk

The company has both interest bearing assets and interest bearing liabilities, which bear interest at variable rates. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Credit Risk

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

Liquidity Risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

CIC PROPERTIES LIMITED**THE DIRECTORS' REPORT** *(continued)***PERIOD ENDED 30 APRIL 2007****THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE PARENT COMPANY**

The directors who served the company during the period together with their beneficial interests in the shares of the parent company were as follows:

	Ordinary shares in the parent company	
	At 30 April 2007	At 1 May 2006
R A Scott	1	1
G R Scott	-	-
C D Scott	1	1

FIXED ASSETS

The changes in tangible fixed assets during the year are summarised in note 10 to the financial accounts.

All investment properties held are valued by the directors at open market value on 30 April 2006.

The valuation in these financial statements is £1,871,909 (2006 - £2,132,749).

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these 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 that disclose with reasonable accuracy at any time the financial position of the group and 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.

In so far as the directors are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

CIC PROPERTIES LIMITED**THE DIRECTORS' REPORT** *(continued)***PERIOD ENDED 30 APRIL 2007**

DONATIONS

During the period the company made the following contributions:


	2007	2006
	£	£
Charitable	<u>5,500</u>	<u>-</u>

AUDITOR

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at a general meeting.

Registered office:
6 Saintfield Road
Lisburn
Co Antrim
BT27 5BD

Signed on behalf of the directors



R-A Scott
Director

Approved by the directors on 14/12/07

CIC PROPERTIES LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CIC PROPERTIES LIMITED****PERIOD ENDED 30 APRIL 2007**

We have audited the group and parent company financial statements ("the financial statements") of CIC Properties Limited for the period ended 30 April 2007 which comprise the Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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. Our responsibilities do not extend to any other information. This report has been prepared pursuant to the requirements of the Companies (Northern Ireland) Order 1986 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies (Northern Ireland) Order 1986 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 group's and 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.

CIC PROPERTIES LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CIC PROPERTIES LIMITED** *(continued)***PERIOD ENDED 30 APRIL 2007**

OPINION

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs and of the group as at 30 April 2007 and of the profit of the group for the period then ended;

the financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986; and

the information given in the Directors' Report is consistent with the financial statements for the period ended 30 April 2007.

Lindsay House
10 Callender Street
Belfast
BT1 5BN



BDO STOY HAYWARD
Chartered Accountants
& Registered Auditors

14 December 2007

CIC PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD ENDED 30 APRIL 2007**

	Note	2007 £	2006 £
GROUP TURNOVER	2	7,775,171	11,242,653
Cost of sales		<u>4,829,329</u>	<u>8,008,179</u>
GROSS PROFIT		2,945,842	3,234,474
Administrative expenses		333,240	300,863
Other operating income	3	<u>(100,000)</u>	—
OPERATING PROFIT	4	2,712,602	2,933,611
Share of associate operating profit		<u>601,306</u>	<u>446,950</u>
		3,313,908	3,380,561
Interest receivable and similar income		<u>1,509,185</u>	<u>35,139</u>
Share of associate interest receivable		14,542	8,738
Interest payable and similar charges	7	<u>(776,953)</u>	<u>(805,181)</u>
Share of associate interest payable		<u>(328,390)</u>	<u>(364,838)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,732,292	2,254,419
Tax on profit on ordinary activities	8	<u>1,314,835</u>	<u>729,532</u>
PROFIT FOR THE FINANCIAL PERIOD	9	<u>2,417,457</u>	<u>1,524,887</u>

All of the activities of the group are classed as continuing.

The company has taken advantage of section 238 of the Companies (Northern Ireland) Order 1986 not to publish its own Profit and Loss Account.

CIC PROPERTIES LIMITED**GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****PERIOD ENDED 30 APRIL 2007**

	2007	2006
	£	£
Group	2,214,877	1,507,041
Share of associate	202,580	17,846
	2,417,457	1,524,887
Unrealised profit on revaluation of certain fixed assets	—	632,369
Unrealised profit on revaluation of:		
Shares in participating interests - B/Fwd	202,580	2,384,986
Total gains and losses recognised since the last annual report	2,620,037	4,542,242

CIC PROPERTIES LIMITED**GROUP BALANCE SHEET****30 APRIL 2007**

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	11	1,899,529	2,165,649
Investments	12	3,782,552	3,546,024
		<u>5,682,081</u>	<u>5,711,673</u>
CURRENT ASSETS			
Stocks	13	30,667,259	25,781,565
Debtors	14	4,910,202	11,846,004
Cash at bank		5,686,068	1,707,031
		<u>41,263,529</u>	<u>39,334,600</u>
CREDITORS: Amounts falling due within one year	15	12,162,888	12,314,656
NET CURRENT ASSETS		<u>29,100,641</u>	<u>27,019,944</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>34,782,722</u>	<u>32,731,617</u>
CREDITORS: Amounts falling due after more than one year	16	10,535,282	10,896,121
		<u>24,247,440</u>	<u>21,835,496</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	275,745	181,258
		<u>23,971,695</u>	<u>21,654,238</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20	100	100
Revaluation reserve	21	3,199,521	3,831,890
Other reserves	21	—	(452,555)
Profit and loss account	21	20,772,074	18,274,803
SHAREHOLDERS' FUNDS	22	<u>23,971,695</u>	<u>21,654,238</u>

These financial statements were approved by the directors and authorised for issue on 14/12/07 and are signed on their behalf by:



R A SCOTT



G R SCOTT

CIC PROPERTIES LIMITED**BALANCE SHEET****30 APRIL 2007**

	Note	2007 £	£	2006 £	£
FIXED ASSETS					
Investments	12		100		452,755
CURRENT ASSETS					
Debtors	14	2,985,552		2,985,552	
Cash at bank		2		2	
		<u>2,985,554</u>		<u>2,985,554</u>	
CREDITORS: Amounts falling due within one year	15	<u>1,500</u>		<u>1,500</u>	
NET CURRENT ASSETS			<u>2,984,054</u>		<u>2,984,054</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,984,154</u>		<u>3,436,809</u>
CAPITAL AND RESERVES					
Called-up equity share capital	20		100		100
Profit and loss account	21		<u>2,984,054</u>		<u>3,436,709</u>
SHAREHOLDERS' FUNDS			<u>2,984,154</u>		<u>3,436,809</u>

These financial statements were approved by the directors and authorised for issue on 14/12/07 and are signed on their behalf by:



R A SCOTT



G R SCOTT

GROUP CASH FLOW**PERIOD ENDED 30 APRIL 2007**

	Note	2007 £	£	2006 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES			4,781,202		4,434,957
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest received		1,509,185		35,139	
Interest paid		<u>(776,953)</u>		<u>(805,181)</u>	
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			732,232		(770,042)
TAXATION			(337,865)		(937,000)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Payments to acquire tangible fixed assets		(965,786)		(15,636)	
Receipts from sale of fixed assets		1,218,245		—	
Acquisition of investments		<u>(33,948)</u>		<u>(33,539)</u>	
NET CASH INFLOW/(OUTFLOW) FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			218,511		(49,175)
EQUITY DIVIDENDS PAID			(100,000)		—
CASH INFLOW BEFORE FINANCING			5,294,080		2,678,740
FINANCING					
Issue of equity share capital		(452,555)		—	
Repayment of bank loans		<u>(1,315,043)</u>		<u>(1,808,413)</u>	
NET CASH OUTFLOW FROM FINANCING			(1,767,598)		(1,808,413)
INCREASE IN CASH			3,526,482		870,327

GROUP CASH FLOW *(continued)***PERIOD ENDED 30 APRIL 2007****RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2007	2006
	£	£
Operating profit	2,712,602	2,933,611
Depreciation	6,906	8,236
Loss on disposal of fixed assets	6,755	—
Increase in stocks	(4,885,694)	(1,121,119)
Decrease in debtors	6,918,223	3,652,372
Increase/(decrease) in creditors	22,410	(1,038,143)
Net cash inflow from operating activities	<u>4,781,202</u>	<u>4,434,957</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007	2006
	£	£
Increase in cash in the period	3,526,482	870,327
Net cash outflow from bank loans	<u>1,315,043</u>	<u>1,808,413</u>
	4,841,525	2,678,740
Change in net debt	4,841,525	2,678,740
Net debt at 1 May 2006	(19,202,728)	(21,881,468)
Net debt at 30 April 2007	<u>(13,908,648)</u>	<u>(19,202,728)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 May 2006 £	Cash flows £	At 30 Apr 2007 £
Net cash:			
Cash in hand and at bank	<u>1,707,031</u>	<u>3,979,037</u>	<u>5,686,068</u>
Debt:			
Debt due within 1 year	(10,013,638)	954,204	(9,059,434)
Debt due after 1 year	(10,896,121)	360,839	(10,535,282)
	<u>(20,909,759)</u>	<u>1,315,043</u>	<u>(19,594,716)</u>
Net debt	<u>(19,202,728)</u>	<u>5,294,080</u>	<u>(13,908,648)</u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007**

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings, together with the group's share of the net assets and results of associated undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of article 238 of the Companies (NI) 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 2006

Turnover

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

Profits on the 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.

Goodwill

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

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 and loss on sale or closure.

Fixed assets

All fixed assets are initially recorded at cost.

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007**

1. ACCOUNTING POLICIES *(continued)***Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 20% on annual written down value

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Investment properties

Investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the revaluation reserve, except that a deficit that is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such deficit, is charged to (or credited to) the profit and loss account. Depreciation is not provided in respect of freehold investment properties, or in respect of leasehold investment properties where the unexpired term of the lease is more than twenty years. This conflicts with the requirement in Companies (Northern Ireland) Order 1986 that all properties should be depreciated. The directors consider that, as these properties are not held for consumption, but for investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If the departure from the Order had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of the depreciation cannot reasonably be quantified because depreciation is only one of the many factors reflected in the annual valuation and the amount which might be otherwise have been shown cannot be separately identified or quantified.

Stocks

Properties are stated at the lower of cost and estimated market value. Cost includes materials, direct labour and an attributable proportion of overheads based on normal levels of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007**

1. ACCOUNTING POLICIES *(continued)***Deferred taxation**

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of all tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances should not be discounted.

Investments

Fixed asset investments are stated at cost less any provision for impairment in value.

Associates

In the group financial statements, investments in associates are accounted for using the equity method. The consolidated profit and loss account includes the group's share of associated profits less losses, while the groups share of net assets of the associate is shown in the consolidated balance sheet.

Change in accounting policy

The group has adopted FRS 25, 'Financial instruments: Disclosures and presentation' in these financial statements. The adoption of the standards represents a change in accounting policy and the comparative figures have been restated accordingly.

The adoption of the presentation requirements of FRS 25 has meant that dividends paid are now shown in the profit and loss reserve rather than on the face of the profit and loss account.

It has also resulted in more information being presented with regard to financial risk management objectives and policies in the directors' report.

2. TURNOVER

No analysis of turnover and attributable pre-tax profit by class of business or geographical segment has been disclosed in the financial statements as, in the opinion of the directors, such disclosure would be prejudicial to the interests of the group.

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****3. OTHER OPERATING INCOME**

	2007 £	2006 £
Other operating income	<u>100,000</u>	<u>—</u>

4. OPERATING PROFIT

Operating profit is stated after charging:

	2007 £	2006 £
Depreciation of owned fixed assets	6,906	8,236
Loss on disposal of fixed assets	6,755	—
Auditor's remuneration		
- as auditor	10,000	11,500
Operating lease costs:		
Other	<u>32,806</u>	<u>44,050</u>

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial period amounted to:

	2007 No	2006 No
Number of other staff (including directors)	<u>2</u>	<u>2</u>

The aggregate payroll costs of the above were:

	2007 £	2006 £
Wages and salaries	1,500,000	1,500,000
Social security costs	—	—
	<u>1,500,000</u>	<u>1,500,000</u>

6. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2007 £	2006 £
Emoluments receivable	<u>1,500,000</u>	<u>1,500,000</u>

Emoluments of highest paid director:

	2007 £	2006 £
Total emoluments (excluding pension contributions)	<u>1,500,000</u>	<u>1,500,000</u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****7. INTEREST PAYABLE AND SIMILAR CHARGES**

	2007 £	2006 £
Interest payable on bank borrowing	776,953	799,234
Other similar charges payable	—	5,947
	<u>776,953</u>	<u>805,181</u>

8. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the period**

	2007 £	2006 £
Current tax:		
In respect of the period:		
UK Corporation tax based on the results for the period at 30% (2006 - 30%)	1,135,470	656,865
Group tax on (income) on ordinary activities		
Share of associate taxation charge	84,878	73,004
Total current tax	<u>1,220,348</u>	<u>729,869</u>
Deferred tax:		
Origination and reversal of timing differences	94,487	(337)
Tax on profit on ordinary activities	<u>1,314,835</u>	<u>729,532</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 30% (2006 - 30%).

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>3,444,834</u>	<u>2,163,569</u>
Profit/(loss) on ordinary activities by rate of tax	1,033,451	649,091
Expenses not deductible for tax purposes	18,348	—
Capital allowances in excess of depreciation	349	364
Disallowed expenses	84,878	80,441
Other items	—	(27)
Chargeable gains	83,322	—
Total current tax (note 8(a))	<u>1,220,348</u>	<u>729,869</u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****9. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The loss dealt with in the accounts of the parent company was £352,655 (2006 - £1,500)

10. DIVIDENDS**Equity dividends**

	2007 £	2006 £
Paid during the year		
Equity dividends on ordinary shares	<u>200,000</u>	<u>—</u>

11. TANGIBLE FIXED ASSETS

Group	Freehold & Leasehold Property £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 May 2006	2,132,749	97,471	2,230,220
Additions	964,160	1,626	965,786
Disposals	(1,225,000)	—	(1,225,000)
At 30 April 2007	<u>1,871,909</u>	<u>99,097</u>	<u>1,971,006</u>
DEPRECIATION			
At 1 May 2006	—	64,571	64,571
Charge for the period	—	6,906	6,906
At 30 April 2007	<u>—</u>	<u>71,477</u>	<u>71,477</u>
NET BOOK VALUE			
At 30 April 2007	<u>1,871,909</u>	<u>27,620</u>	<u>1,899,529</u>
At 30 April 2006	<u>2,132,749</u>	<u>32,900</u>	<u>2,165,649</u>

All investment properties held were valued by the directors at open market value on 30 April 2006.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2007 £	2006 £
Net book value at end of period	<u>592,631</u>	<u>592,631</u>
Historical cost	<u>592,631</u>	<u>592,631</u>

CIC PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 APRIL 2007
12. INVESTMENTS

Group	Associates	Other	
	£	£	£
COST OR VALUATION			
At 1 May 2006	3,039,110	506,914	3,546,024
Additions	-	33,948	33,948
Revaluations	202,580	-	202,580
At 30 April 2007	<u>3,241,690</u>	<u>540,862</u>	<u>3,782,552</u>
NET BOOK VALUE			
At 30 April 2007	<u>3,241,690</u>	<u>540,862</u>	<u>3,782,552</u>
At 30 April 2006	<u>3,039,110</u>	<u>506,914</u>	<u>3,546,024</u>

Other investments relate to annual premiums paid on mortgage endowment policies on the life of a director.

Subsidiary undertakings

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Windsor Securities Limited	N Ireland	Ord. shares	100%	Property Development
Windsor Developments Limited	N Ireland	Ord. shares	100%	Property Development
Myarno Holdings Limited	Jersey	Ord. shares	100%	Dormant
Associated undertakings				
Eastonsco Holdings Limited	N Ireland	Ord. shares	50%	Property Rental

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****12. INVESTMENTS** *(continued)*

Company	Group companies £
COST OR VALUATION	
At 1 May 2006 and 30 April 2007	<u><u>452,755</u></u>
AMOUNTS WRITTEN OFF	
Written off in period	<u>452,655</u>
At 30 April 2007	<u><u>452,655</u></u>
NET BOOK VALUE	
At 30 April 2007	<u>100</u>
At 30 April 2006	<u><u>452,755</u></u>

13. STOCKS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Stock	<u><u>30,667,259</u></u>	<u><u>25,781,565</u></u>	<u><u>—</u></u>	<u><u>—</u></u>

14. DEBTORS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Trade debtors	118,797	143,974	—	—
Amounts owed by group undertakings	—	—	2,985,552	2,985,552
Other debtors	4,711,756	11,702,030	—	—
Prepayments and accrued income	79,649	—	—	—
	<u><u>4,910,202</u></u>	<u><u>11,846,004</u></u>	<u><u>2,985,552</u></u>	<u><u>2,985,552</u></u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****15. CREDITORS: Amounts falling due within one year**

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Bank loans and overdrafts	9,059,434	10,013,638	—	—
Directors' loan accounts	20,468	24,814	—	—
Other creditors	1,944,765	867,813	—	—
Accruals and deferred income	1,138,221	1,408,391	1,500	1,500
	<u>12,162,888</u>	<u>12,314,656</u>	<u>1,500</u>	<u>1,500</u>

The loans are repayable upon demand, or if earlier on subsequent disposal of the property. Repayment terms are negotiable.

The bank loans are secured by a first legal mortgage on certain of the property stocks of the group and a guarantee from a parent undertaking. There are also unlimited cross company guarantees in respect of certain loans and overdrafts.

In addition there is a floating charge on the assets of the group, an all monies guarantee, proposed registered deposits, assignment of two life policies on one director and a fixed charge on its book debts to the extent that any outstanding loans, bank overdrafts and unpaid interest payable.

16. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Bank loans and overdrafts	4,189,135	4,549,974	—	—
Amounts owed to group undertakings	1,632,189	1,632,189	—	—
Other creditors	4,713,958	4,713,958	—	—
	<u>10,535,282</u>	<u>10,896,121</u>	<u>—</u>	<u>—</u>

The bank loan as at 30 April 2007 bears a variable rate of interest and is secured on the book debts, a fixed charge over the assets of certain properties owned by the group, a floating charge over the assets and undertaking of the company and unlimited cross guarantees completed by certain group companies. The bank loan is repayable in quarterly instalments over the 1 year duration remaining.

NOTES TO THE FINANCIAL STATEMENTS**PERIOD ENDED 30 APRIL 2007****16. CREDITORS: Amounts falling due after more than one year (continued)**

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Bank loans and overdrafts	<u>635,791</u>	<u>996,630</u>	<u>-</u>	<u>-</u>

The other loans are repayable after more than five years, are secured by way of first legal mortgage on certain property stocks and a guarantee from a parent undertaking.

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the period was:

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Provision brought forward	181,258	181,595	-	-
Increase/(Decrease) in provision	94,487	(337)	-	-
Provision carried forward	<u>275,745</u>	<u>181,258</u>	<u>-</u>	<u>-</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2007		2006	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>275,745</u>	<u>-</u>	<u>181,258</u>	<u>-</u>

18. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2007 the group had annual commitments under non-cancellable operating leases as set out below.

Group	Land and buildings	
	2007	2006
	£	£
Operating leases which expire:		
After more than 5 years	<u>10,000</u>	<u>10,000</u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007****19. RELATED PARTY TRANSACTIONS**

The company was managed by the directors throughout the current and previous years.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

20. SHARE CAPITAL**Authorised share capital:**

	2007	2006
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2007	2006
	No	No
	£	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

21. RESERVES

Group	Revaluation reserve £	Other reserves £	Profit and loss account £
Balance brought forward	3,831,890	(452,555)	18,274,803
Profit for the period	—	—	2,417,457
Equity dividends	—	—	(100,000)
Other movements			
- transfer to/from revaluation reserve	(632,369)	—	632,369
Other reserves	—	—	(452,555)
- transfer to other reserves	—	452,555	—
Balance carried forward	<u>3,199,521</u>	<u>—</u>	<u>20,772,074</u>

Company	Profit and loss account £
Balance brought forward	3,436,709
Loss for the period	(352,655)
Equity dividends	(100,000)
Balance carried forward	<u>2,984,054</u>

CIC PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD ENDED 30 APRIL 2007**

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial period	2,417,457	1,524,887
Other net recognised gains and losses	—	2,999,509
Less capitalised from reserves	—	—
	<u>2,417,457</u>	<u>4,524,396</u>
Equity dividends paid (FRS 25)	(100,000)	—
Transfer from revaluation reserve	632,369	—
Transfer to profit and loss account	(632,369)	—
	<u>2,317,457</u>	<u>4,524,396</u>
Net addition to shareholders' funds	2,317,457	4,524,396
Opening shareholders' funds	21,654,238	17,129,842
Closing shareholders' funds	<u>23,971,695</u>	<u>21,654,238</u>

23. ULTIMATE PARENT COMPANY

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