Registrar

Marmi Limited

Financial Statements

For

31st March 2000

Company Registration Number 2755621



CONWAY FIELDEN GOUGH
Chartered Accountants & Registered Auditors
Colne House
19 Guithavon Street
Witham
Essex
CM8 1BL

Marmi Limited

Financial Statements

Year Ended 31st March 2000

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Marmi Limited

The Directors' Report

Year Ended 31st March 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2000.

Principal Activities

The principal activities of the company in the year under review were that of the importation and marketing of decorative building stone.

The Directors and their Interests in Shares of the Company

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

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
Mr C D Higgs	5	5
Mrs J R Higgs	5	5

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 6 to 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Donations

During the year the company made the following contributions:

	2000	1999
	£	£
Charitable	377	345

Marmi Limited

The Directors' Report *(continued)*

Year Ended 31st March 2000

Auditors

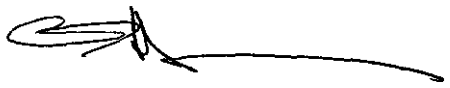
A resolution to re-appoint Conway Fielden Gough as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Colne House
19 Guithavon Street
Witham
CM8 1BL

Signed on behalf of the directors



Mr C D Higgs
Director

Approved by the directors on 1ST December 2000

Marmi Limited

Auditors' Report to the Shareholders

Year Ended 31st March 2000

We have audited the financial statements on pages 4 to 10 which 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 on pages 6 to 7 .

Respective Responsibilities of the Directors and the Auditors

As described on page 1, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Conway Fielden Gough

Colne House
19 Guithavon Street
Witham
Essex
CM8 1BL

CONWAY FIELDEN GOUGH
Chartered Accountants
& Registered Auditors

1 December 2000

Marmi Limited

Profit and Loss Account

Year Ended 31st March 2000

	Note	2000 £	1999 £
Turnover		1,529,600	692,897
Cost of sales		(1,123,630)	(518,965)
Gross Profit		405,970	173,932
Administrative expenses		(305,787)	(152,176)
Operating Profit	2	100,183	21,756
Interest receivable	4	239	1,248
Interest payable and similar charges		(6,546)	(254)
Profit on Ordinary Activities Before Taxation		93,876	22,750
Tax on profit on ordinary activities	5	(19,539)	(4,830)
Profit on Ordinary Activities after Taxation		74,337	17,920
Equity dividends paid		(20,500)	-
Retained Profit for the Financial Year		53,837	17,920
Balance brought forward		33,709	15,789
Balance carried forward		87,546	33,709

The notes on pages 6 to 10 form part of these financial statements.

Marmi Limited

Balance Sheet

31st March 2000

	Note	2000		1999	
		£	£	£	£
Fixed Assets					
Tangible assets	**6**		112,239		26,565
Current Assets					
Stocks		173,148		157,847	
Debtors	**7**	55,049		48,771	
Cash at bank		2,592		13,533	
		230,789		220,151	
Creditors: Amounts Falling due Within One Year	**8**	**(235,194)**		**(201,336)**	
Net Current (Liabilities)/Assets			**(4,405)**		**18,815**
Total Assets Less Current Liabilities			**107,834**		**45,380**
Creditors: Amounts Falling due After More than One Year	**9**		**(18,471)**		**(10,292)**
			89,363		**35,088**
Provisions for Liabilities and Charges					
Deferred taxation	**10**		(1,807)		(1,369)
			87,556		33,719
Capital and Reserves					
Called-up equity share capital	**12**		10		10
Profit and loss account			87,546		33,709
Shareholders' Funds			87,556		33,719

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

These financial statements were approved by the directors on the 1st December 2000 and are signed on their behalf by:

.....
Mr C D Higgs

J R Higgs
.....
Mrs J R Higgs

The notes on pages 6 to 10 form part of these financial statements.

Marmi Limited

Notes to the Financial Statements

Year Ended 31st March 2000

1. Accounting Policies

(a) Basis of Accounting

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).

(b) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

(c) 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:

Freehold Property	-	2% straight line basis
Fixtures & Fittings	-	25% reducing balance
Motor Vehicles	-	25% straight line basis

(d) Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

(e) Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

(f) 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.

(g) Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1. Accounting Policies *(continued)*

(h) Deferred Taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

(i) 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. Operating Profit

Operating profit is stated after charging:

	2000	1999
	£	£
Depreciation	16,406	2,848
Auditors' fees	2,000	2,000
Net loss on foreign currency translation	-	786

3. Directors' Emoluments

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

	2000	1999
	£	£
Aggregate emoluments	65,270	21,938

4. Interest Receivable

	2000	1999
	£	£
Bank interest receivable	239	1,248

5. Tax on Profit on Ordinary Activities

	2000 £	1999 £
Corporation tax based on the results for the year at 20% (1999 - 21%)	19,101	3,530
Corporation tax adjustment previous year	-	(69)
Increase in deferred tax provision **(Note 10)**:		
Capital allowances	438	1,369
	19,539	4,830

6. Tangible Fixed Assets

	Freehold Property £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost				
At 1st April 1999	-	21,943	11,250	33,193
Additions	68,500	27,651	5,929	102,080
At 31st March 2000	68,500	49,594	17,179	135,273
Depreciation				
At 1st April 1999	-	6,628	-	6,628
Charge for the year	1,370	10,741	4,295	16,406
At 31st March 2000	1,370	17,369	4,295	23,034
Net Book Value				
At 31st March 2000	67,130	32,225	12,884	112,239
At 31st March 1999	-	15,315	11,250	26,565

Hire purchase agreements
Included within the net book value of £112,239 is £34,290 (1999 - £11,250) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £11,431 (1999 - £4,074).

7. Debtors

	2000 £	1999 £
Trade debtors	49,576	30,189
Other debtors	5,473	18,582
	55,049	48,771

8. Creditors: Amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	54,557	-
Trade creditors	49,199	113,375
Corporation tax	19,101	3,530
Other taxation and social security	57,350	23,561
Hire purchase agreements	13,383	4,083
Other creditors	41,604	56,787
	235,194	201,336

9. Creditors: Amounts falling due after more than one year

	2000	1999
	£	£
Hire purchase agreements	18,471	10,292

10. Deferred Taxation

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

	2000	1999
	£	£
Provision brought forward	1,369	-
Increase in provision	438	1,369
Provision carried forward	1,807	1,369

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

	2000	1999
	£	£
Excess of taxation allowances over depreciation on fixed assets	1,807	1,369

11. Related Party Transactions

The company was controlled throughout the year by its directors by virtue of their interest in the issued ordinary share capital of the company.

Mr C D Higgs is also a Director of Marblesone Fixing Limited. Expenses paid on behalf of Marblestone Fixing Limited by Marmi Limited during the year amounted to £930 (1999: £15). Marblestone Fixing Limited owed the company £1,075 (1999: £145) at the balance sheet date.

12. Share Capital

Authorised share capital:

	2000	1999
	£	£
100 Ordinary shares of £1 each	100	100

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	10	10