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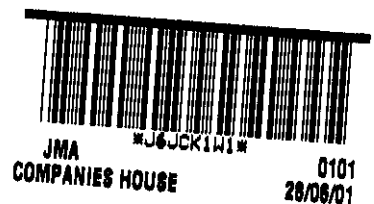
ELITE HOMES GROUP LIMITED

**Directors' report and consolidated financial statements
Year ended 31 July 2000**

Registered number 2781237

REGISTRAR'S COPY

**HLB KIDSONS
CHARTERED ACCOUNTANTS
MANCHESTER**



ELITE HOMES GROUP LIMITED

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ELITE HOMES GROUP LIMITED**COMPANY INFORMATION**

Directors	K J Marren, Managing Director C R Topham, Non-executive Chairman D Topham, Non-executive Director F Knox, Construction Director G Buchanan, Sales & Marketing Director
Secretary	K J Marren
Registered office	Monton Lodge 3 Parrin Lane Monton Eccles Manchester M30 8AN
Registered auditors	HLB Kidsons Devonshire House 36 George Street Manchester M1 4HA
Solicitors	Glasyiers 6 th Floor Manchester House 18 – 20 Bridge Street Manchester M3 3BY
Bankers	Co-operative Bank 1 Balloon Street Manchester M60 4EP

ELITE HOMES GROUP LIMITED

DIRECTORS' REPORT

For the year ended 31 July 2000

The directors present their annual report and the audited financial statements for the year ended 31 July 2000.

Principal activities

The group's principal activity is residential property development.

Business review

The results for the year are shown in the profit and loss account on page 5 of these financial statements

The group has made a loss before taxation of £784,392 (1999: profit £541,137) from a turnover of £9,912,547 (1999: £10,407,921).

Proposed dividend and transfer to reserves

The directors do not recommend payment of a dividend (1999: £99,947).

Fixed assets

Movements in fixed assets during the year are set out in note 9.

Directors and directors' interests

The directors who held office during the year were as follows:

C R Topham
 J M Holt (Directorship ceased 26 January 2001)
 K J Marren
 J E Wraeg (Resigned 8 November 2000)
 C W Topham (Resigned 17 August 2000)

The directors who held office at the end of the year had the following interests in the ordinary shares of group companies as recorded in the register of directors' share interests.

	Company	Class of share	Interest at end of year	Interest at beginning of year
C R Topham	Elite Homes Group Limited	'A' Ordinary	770	770
		Preferred Ordinary	118,988	118,988
J M Holt	Elite Homes Group Limited	'B' Ordinary	70	70
K J Marren	Elite Homes Group Limited	'B' Ordinary	53	53
J E Wraeg	-	-	-	-

ELITE HOMES GROUP LIMITED

DIRECTORS' REPORT
(continued)

For the year ended 31 July 2000

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 the group, and of the profit or loss of the group for that year.

In preparing these accounts we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the accounts on a going concern basis unless in our view the company will be unable to continue in business;

We are also responsible for:

- keeping proper accounting records;
- safeguarding the group's assets;
- taking reasonable steps for the prevention and detection of fraud.

Auditors

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

By order of the board


K J Marren
Secretary

Monton Lodge
3 Parrin Lane
Monton
Eccles
Manchester

27th June 2001

ELITE HOMES GROUP LIMITED

AUDITORS' REPORT TO THE MEMBERS OF ELITE HOMES GROUP LIMITED

For the year ended 31 July 2000

We have audited the financial statements on page 5 to 19 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

Respective responsibilities of the directors and the auditors

As described on page 3, 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 group'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 and the group's affairs as at 31 March 2000 and of the loss of the group for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
& Registered Auditors

Devonshire House
36 George Street
Manchester
M1 4HA

27 June 2001

ELITE HOMES GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 July 2000

	Note	2000 £	1999 £
Turnover	1	9,912,547	10,407,921
Cost of sales		(9,522,880)	(8,969,048)
Gross profit		389,667	1,438,873
Other operating expenses	2	(1,017,596)	(707,458)
Operating profit		(627,929)	731,415
Other interest receivable		48,303	49,996
Interest payable and similar charges	7	(204,766)	(240,274)
(Loss)/profit on ordinary activities before taxation		(784,392)	541,137
Tax on profit on ordinary activities	8	180,581	(170,844)
(Loss)/profit for the financial year		(603,811)	370,293
Dividend paid		-	(99,947)
Retained (loss)/profit for the year	17	(603,811)	270,346

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 July 2000

	2000 £	1999 £
(Loss)/profit for the financial year	(603,811)	370,293
Unrealised surplus arising on revaluation of land and buildings	28,400	-
Total recognised (loss)/gain for the year	(575,411)	370,293

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the year ended 31 July 2000

	2000 £	1999 £
Reported (loss)/profit on ordinary activities before taxation	(784,392)	541,137
Difference between the historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	863	-
Historical cost (loss)/profit on ordinary activities before taxation	783,529	541,137
Historical cost (loss)/profit for the year retained after taxation and dividends	(602,948)	270,346

ELITE HOMES GROUP LIMITED
CONSOLIDATED BALANCE SHEET

as at 31 July 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	9		521,930		453,031
Current assets					
Stocks	11	4,690,889		4,735,810	
Debtors	12	1,721,941		1,817,983	
Cash at bank and in hand		6,296		5,276	
			<u>6,419,126</u>		<u>6,559,069</u>
Creditors: amounts falling due within one year	13	(3,599,983)		(3,142,442)	
Net current assets			<u>2,819,143</u>		<u>3,416,627</u>
Total assets less current liabilities			<u>3,341,073</u>		<u>3,869,658</u>
Creditors: amounts falling due after more than one year	14		(804,217)		(757,391)
Net assets			<u><u>2,536,856</u></u>		<u><u>3,112,267</u></u>
Capital and reserves					
Called up share capital	16		357,011		357,011
Revaluation reserve	17		63,100		35,563
Consolidation reserve	17		236,727		236,727
Profit and loss	17		1,880,018		2,482,966
Shareholders' funds	20		<u><u>2,536,856</u></u>		<u><u>3,112,267</u></u>

These financial statements were approved by the board of directors on 27th June

2001 and were signed on its

C R Topham
Director

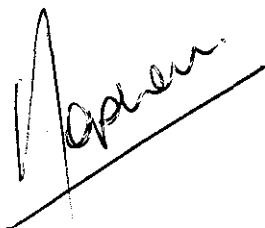


ELITE HOMES GROUP LIMITED
PARENT COMPANY BALANCE SHEET
as at 31 July 2000

	Note	2000 £	1999 £
Fixed assets			
Investments	10	357,000	357,000
Current assets			
Debtors	12	138,000	138,000
Creditors: amounts falling due within one year	13	<u>(130,177)</u>	<u>(130,177)</u>
Net current assets		<u>7,823</u>	<u>7,823</u>
Net assets		<u><u>364,823</u></u>	<u><u>364,823</u></u>
Capital and reserves			
Called up share capital	16	357,012	357,011
Profit and loss	17	<u>7,812</u>	<u>7,812</u>
Shareholders' funds		<u><u>364,823</u></u>	<u><u>364,823</u></u>

These financial statements were approved by the board of directors on 27 June 2001 and were signed on its behalf by:

C R Topham
Director



ELITE HOMES GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 July 2000

	2000		1999
	£	£	£
Net cash inflow from operating activities		32,947	2,082,744
Returns on investment and servicing of finance			
Interest received	48,303		8,671
Interest paid	(204,766)		(240,274)
Net cash (outflow) from returns on investments and servicing of finance		(156,463)	(231,603)
Taxation			
Corporation tax paid (including advance corporation tax)		(157,514)	(289,952)
		(281,030)	1,561,189
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	(211,963)		(186,563)
Receipts from sale of tangible fixed assets	70,000		68,548
Net cash (outflow) from investing activities		(141,963)	(118,015)
Equity dividends paid		-	(99,947)
		(422,993)	1,343,227
Financing			
Loan repaid in year	(313,000)		-
Increase in loans in year	108,449		32,314
Capital element of finance lease payments	(38,208)		-
Net cash (outflow)/inflow from financing		(242,759)	32,314
(Decrease)/increase in cash			
		(665,752)	1,375,541

Further details are given in note 21.

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2000

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of land and buildings.

Basis of consolidation

The group accounts consolidate the accounts of Elite Homes Group Limited and all its subsidiary undertakings. These accounts are made up to 31 July 2000.

Unless otherwise stated, the acquisition method of accounting has been adopted. Under this method, the results of subsidiary and associated undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Goodwill arising on consolidation (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is written off against reserves on acquisition. Any excess of the aggregate of the fair value of the separable net assets acquired over the fair value of the consideration given (negative goodwill) is credited direct to reserves.

In the company's accounts, investments in subsidiary and associated undertakings are stated at cost. Dividends received and receivable to the company's profit and loss account to the extent that they represent a realised profit for the company.

In accordance with Section 230 (4) of the Companies Act 1985 the company is exempt from the requirement to present its own profit and loss account.

The result for the year dealt within the financial statements of the company is disclosed in note 17 to these accounts.

Fixed assets and depreciation

Depreciation is provided by the group to write off the cost less the estimated residual value of tangible fixed assets as follows:

Buildings	-	2% pa straight line
Plant and machinery	-	14% - 22% pa straight line
Motor vehicles	-	30% pa reducing balance
Office equipment	-	22% - 50% pa reducing balance
Fixtures and fittings	-	25% pa reducing balance

Freehold land and buildings are not depreciated.

Leases

Where the group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

1 Accounting policies**Stocks**

Residential development work-in-progress is stated at the lower of cost and net realisable value. All expenditure relating to forward land, including options, fees etc is written off when incurred.

Pension costs

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the sale of residential property legally contracted and completed in the United Kingdom.

2 Other operating expenses

	2000 £	1999 £
Administrative expenses	1,147,989	887,646
Other operating income (note 6)	(130,393)	(180,188)
	<u>1,017,596</u>	<u>707,458</u>

3 Operating (loss)/profit

	2000 £	1999 £
Operating (loss)/profit is stated after charging:		
Auditors' remuneration – audit	7,000	6,700
Depreciation of tangible fixed assets - owned	79,932	71,177
- leased	29,553	9,835
Hire of other assets – operating leases	48,019	44,478
Profit on disposal of assets	<u>8,021</u>	<u>-</u>

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

4 Remuneration of directors

	2000 £	1999 £
Directors' emoluments	262,073	287,066
Pension contributions	19,686	19,621
	<u>281,759</u>	<u>306,687</u>

The emoluments of the highest paid director were £73,688 (1999: £76,930) and company pension contributions of £4,898 (1999: £4,982) were made to a money purchase scheme on his behalf.

The aggregate value of pension contributions to money purchase schemes made by the company to four directors (1999: four) during the year was £19,686 (1999: £19,621).

5 Staff numbers and costs

The average number of persons employed by the group (including directors) during the year analysed by category, was as follows:

	2000 Number	1999 Number
Office	23	21
Site	23	19
	<u>46</u>	<u>40</u>

The aggregate payroll costs of these persons were as follows:

	2000 £	1999 £
Wages and salaries	1,013,449	842,941
Social security costs	122,021	83,505
Other pension costs	31,172	28,509
	<u>1,166,642</u>	<u>954,955</u>

Pension scheme

The group operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the group to the fund and amounted to £31,172 (1999: £28,509).

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

6 Other operating income

	2000 £	1999 £
Rent receivable	103,125	164,637
Profit on sundry sales	27,950	2,831
Settlement discounts	1,431	-
Other income	(2,113)	12,720
	<u>130,393</u>	<u>180,188</u>

7 Interest payable and similar charges

	2000 £	1999 £
On bank loans, overdrafts and other loans wholly repayable within five years	201,105	229,414
Finance lease charges	3,673	2,004
Other	(12)	8,856
	<u>204,766</u>	<u>240,274</u>

8 Taxation

	2000 £	1999 £
UK corporation tax at 30% (1999: 31%) on the (loss)/profit for the period of ordinary activities	(180,381)	167,752
Adjustments to prior years	-	3,092
	<u>(180,381)</u>	<u>170,844</u>

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

9 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Office equipment £	Fixtures and fittings £	Total £
Group Cost or valuation						
1 August 1999	171,600	190,578	203,337	141,815	26,347	733,677
Revaluation	28,400	-	-	-	-	28,400
Additions	-	143,934	59,990	7,949	90	211,963
Disposals	-	(121,381)	(38,263)	-	-	(159,644)
At 31 July 2000	200,000	213,131	225,064	149,764	26,437	814,396
Depreciation						
At 1 August 1999	-	112,272	54,802	96,469	17,103	280,646
Charge for year	2,700	29,091	47,339	28,026	2,329	109,485
Disposals	-	(77,765)	(19,900)	-	-	(97,665)
At 31 July 2000	2,700	63,598	82,241	124,495	19,432	292,466
Net book value At 31 July 2000	197,300	149,533	142,823	25,269	7,005	521,930
At 31 July 1999	171,600	78,306	148,535	45,346	9,244	453,031

The net book value of fixed assets includes an amount of £212,412 (1999: £59,516) in respect of assets held under finance leases and hire purchase contracts. Depreciation for the year on these assets was £29,553 (1999: £9,835).

Freehold land and buildings were valued at open market value in February 2001 by Lambert Smith Hampton, Chartered Surveyors. The historic cost of the revalued assets is £136,037 (1999: £136,037).

	2000 £	1999 £
Historical cost information		
Historical cost of revalued land and buildings	136,037	136,037
Depreciation based on historical cost	(1,837)	-
Net book value	134,200	136,037

10 Fixed asset investments

	Company	
	2000 £	1999 £
Shares in subsidiary undertakings	357,000	357,000

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

10 Fixed asset investments (continued)

	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Subsidiary undertakings			Group
Monton Lodge Limited	UK	Holding company	100 Ordinary
Elite Homes (North) Limited	UK	Residential development	100 Ordinary *
Elite Homes (NW) Limited	UK	Residential development	100 Ordinary **
Coreplus Limited	UK	Mortgage broker	100 Ordinary **
Elite Homes (Ettiley Heath) Limited	UK	Residential development	100 Ordinary **

* owned by Monton Lodge Limited

**owned by Elite Homes (North) Limited

11 Stocks

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Work in progress	<u>4,690,889</u>	<u>4,735,810</u>	<u>-</u>	<u>-</u>

12 Debtors

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Amounts falling due within one year				
Trade debtors	29,869	894,311	-	-
Amounts owed by subsidiary undertakings	-	-	138,000	138,000
Amounts due from related parties (note 23)	715,656	312,081	-	-
Other debtors	300,555	305,631	-	-
Prepayments and accrued income	444,098	5,960	-	-
Corporation tax	231,763	-	-	-
	<u>1,721,941</u>	<u>1,517,983</u>	<u>138,000</u>	<u>138,000</u>
Amounts falling due after one year				
Amounts due from related parties (note 23)	-	300,000	-	-
	<u>1,721,941</u>	<u>1,817,983</u>	<u>138,000</u>	<u>138,000</u>

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

13 Creditors: amounts falling due within one year

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Bank loans and overdrafts	1,957,819	1,604,047	-	-
Obligations under finance leases and hire purchase contracts	49,423	26,007	-	-
Payments on account	216,148	-	-	-
Trade creditors	738,003	725,686	-	-
Amounts owed to subsidiary undertakings	-	-	130,177	130,177
Amounts due to related parties	-	27,423	-	-
Corporation tax	-	106,333	-	-
Social security and other taxes	55,866	38,938	-	-
Other creditors	63,096	147,328	-	-
Accruals and deferred income	519,628	466,680	-	-
	<u>3,599,983</u>	<u>3,142,442</u>	<u>130,177</u>	<u>130,177</u>

Bank loans and overdrafts are secured by way of a fixed charge over the book debts and property owned by the group and a floating charge over all other assets of the group.

14 Creditors: amounts falling due after more than one year

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Unsecured loan notes (note 23)	743,000	743,000	-	-
Obligations under finance leases and hire purchase contracts	61,217	14,391	-	-
	<u>804,217</u>	<u>757,391</u>	<u>-</u>	<u>-</u>

The loan of £743,000 is expected to be repaid by a first instalment of £40,000 on 1 August 2002 and thereafter by 19 equal payments of £37,000, on a quarterly basis, commencing on 1 August 2003. Interest is charged at a rate of 3% per annum.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	Group	
	2000 £	1999 £
Within one year	55,077	28,032
In the second to fifth years	69,657	15,476
	<u>124,734</u>	<u>43,508</u>
Less future finance charges	(14,095)	(3,110)
	<u>110,639</u>	<u>40,398</u>

ELITE HOMES GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

15 Deferred taxation

No provision has been made in the accounts and the amounts unprovided at the end of the period are as follows:

	2000 £	1999 £
Excess of taxation allowances over depreciation of assets	(3,533)	(7,380)
Revaluation reserve	18,930	11,025
Tax losses available	(83,545)	-
	<u> </u>	<u> </u>
Potential (asset)/liability	<u>(68,148)</u>	<u>3,645</u>

The potential liability and asset are based on a corporation tax rate of 30% (1999: 31%).

16 Called up share capital

	2000 £	1999 £
Authorised		
'A' Ordinary shares of 1p each	13	13
'B' Ordinary shares of 1p each	10	10
Preferred Ordinary shares of £1 each	357,000	357,000
	<u> </u>	<u> </u>
	<u>357,023</u>	<u>357,023</u>
 Allotted, called up and fully paid		
'A' Ordinary shares of 1p each	10	10
'B' Ordinary shares of 1p each	1	1
Preferred Ordinary shares of £1 each	357,000	357,000
	<u> </u>	<u> </u>
	<u>357,011</u>	<u>357,011</u>

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

17 Reserves

Group	Profit and loss reserve £	Revaluation reserve £	Consolidation reserve £
At 1 August 1999	2,482,966	35,563	236,727
(Loss)/unrealised surplus	(603,811)	28,400	-
Transfer from/to reserves	863	(863)	-
At 31 July 2000	<u>1,880,018</u>	<u>63,100</u>	<u>236,727</u>

Company	Profit and loss account £
At 1 August 1999	7,812
Profit for year	-
Dividend paid	-
At 31 July 2000	<u>7,812</u>

18 Contingent liabilities

The company has guaranteed the bank loans of its subsidiaries; the amount outstanding at the year end was £1,957,819 (1999: £1,604,047). It has guaranteed unsecured loan notes of £743,000 held within the subsidiaries. There is also a cross-guarantee with Moorfield Properties Limited for bank loans and the amount outstanding at the year end was £835,000 (1999: £860,000).

19 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2000 £ Other	1999 £ Other
Group		
Operating leases which expire:		
Within one year	21,998	14,981
In the second to fifth years inclusive	69,175	61,785
	<u>91,173</u>	<u>76,766</u>

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

20 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
(Loss)/profit for the financial year	(603,811)	370,293
Other net recognised gains and losses	28,400	-
Dividends paid	-	(99,947)
Net addition to shareholders' fund	(575,411)	270,346
Opening shareholders' funds	3,112,267	2,841,921
Closing shareholders' funds	2,536,856	3,112,267

21 Cash flow statement

a) Reconciliation of operating profit to net cash inflow from operating activities

	2000 £	1999 £
Operating (loss)/profit	(627,929)	731,415
Depreciation charge	109,485	82,012
Profit on sale of tangible fixed assets	(8,021)	(13,064)
Decrease in stocks	44,921	1,663,007
Decrease/(increase) in debtors	327,805	(12,313)
Increase/(decrease) in creditors	186,686	(368,313)
Net cash inflow/(outflow) from operating activities	32,947	2,082,744

b) Reconciliation of net cash flow to movement in net debt

	2000 £	1999 £
(Decrease)/increase in cash in the year	(665,752)	1,375,541
Cash (inflow)/outflow from increase in debt and lease financing	204,551	-
Change in net debt resulting from cash flows	(461,201)	1,375,541
New finance leases	38,208	(32,314)
Other	-	-
Movement in net debt in the year	(422,993)	1,343,227
Net debt at 1 August 1999	(2,382,169)	(3,725,396)
Net debt at 31 July 2000	(2,805,162)	(2,382,169)

ELITE HOMES GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
(continued)

for the year ended 31 July 2000

22 Analysis of net debt

	At 1 August 1999 £	Cash flow £	Other changes £	At 31 July 2000 £
Cash at bank and in hand	5,276	1,020		6,296
Overdrafts	(604,047)	(666,772)		(1,270,819)
		(665,752)		
Debt due after 1 year	(743,000)	-	-	(743,000)
Debt due within 1 year	(1,000,000)	313,000		(687,000)
Finance leases	(40,398)	(108,449)	38,208	(110,639)
	<u>(2,382,169)</u>	<u>(461,201)</u>	<u>38,208</u>	<u>(2,805,162)</u>

23 Related party transactions

Included in related party debtors in note 12 is an amount of £551,587 (1999: £544,150) due from Moorfields Properties Limited, a company controlled by the shareholders of Elite Homes Group Limited. This relates to a loan of £401,264 (1999: £401,264) and interest on the total loan of £150,323 (1999: £142,886). Interest is being charged at 7½% to 8½% representing 2% to 2½% above the Co-operative Bank base rate

Included in related party debtors in note 12 is an amount of £60,000 (1999: £Nil) due from Red River Limited, a company controlled by the shareholders of Elite Homes Group Limited and with common directors.

Included in related party debtors in note 12 is an amount of £93,525 (1999: £3,723) due from Monton Land Company Limited, a company controlled by the shareholders of Elite Homes Group Limited and with common directors, of which £50,247 has been provided for.

Additionally, a balance of £50,809 due from Charles Topham & Sons Limited is included within related party debtors in note 12 (1999: £62,098), a company which is subject to common control.

At the year end date, C R Topham, director, owed the group £9,982 (1999: £Nil) which was also the maximum amount outstanding during the year. The total amount has been repaid since the year end date.

Included in creditors falling due after one year in note 14 are unsecured loan note of £743,000 (1999: £743,000) held by Charles Topham & Sons Limited, a company which is subject to common control. Interest charged for the year amounted to £18,575 (1999: £18,575).