Registrar of Companies

Registered no. 3278421

ARMITAGE HOMES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2000



ARMITAGE HOMES LIMITED

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ARMITAGE HOMES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2000

Directors' Responsibilities

Company law requires us as 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, we 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

Directors

F A Drake
J C Drake
R B V Failes
S G C Hill
R Irlam
S Payne
T A Williams

Secretary

S Payne

Registered Office

First Floor, St Giles House
15/21 Victoria Road
Bletchley
Milton Keynes, MK2 2NG

Principal Activity

The principal activity of the company throughout the year was that of property dealing.

Directors

The present directors are as shown above. All served on the board throughout the year.

DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2000(continued)

Directors' Interests

The beneficial interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	29 February 2000	1 March 1999
F A Drake	7,250	7,250
J C Drake	7,250	7,250
R B V Failes	14,500	14,500
S G C Hill	14,500	14,500
R Irlam	5,000	5,000
S Payne	5,000	5,000
T A Williams	14,500	14,500

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

ON BEHALF OF THE BOARD

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R IRLAM - DIRECTOR

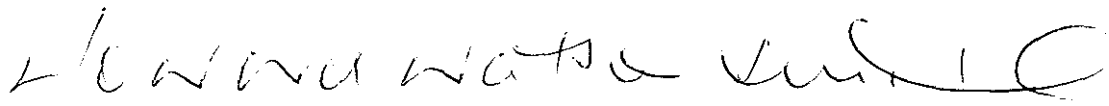
Date: 28 JULY 2000

ARMITAGE HOMES LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 29 February 2000, set out on pages 4 to 8, and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



HOWARD WATSON SMITH & CO
CHARTERED ACCOUNTANTS
MILTON KEYNES

2 AUGUST 2000

ARMITAGE HOMES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 29 FEBRUARY 2000

	Note	2000 £	1999 £
TURNOVER	2	278,131	-
Cost of sales		215,737	-
GROSS PROFIT		62,394	-
Net operating expenses	3	1,851	1,582
OPERATING PROFIT/(LOSS)		60,543	(1,582)
Interest payable and similar charges		6,776	8,127
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		53,767	(9,709)
Tax on profit/(loss) on ordinary activities	4	7,370	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		46,397	(9,709)
Retained loss brought forward		(17,244)	(7,535)
RETAINED PROFIT/(LOSS) CARRIED FORWARD		29,153	(17,244)

All activities derive from continuing operations.

The only recognised gain for the year was the profit for the financial year of £46,397 *(1999 - £(9,709))*.

There are no material differences between the results disclosed in the above profit and loss account and those on an unmodified historical cost basis.

The annexed notes form part of these financial statements.

ARMITAGE HOMES LIMITED

BALANCE SHEET AT 29 FEBRUARY 2000

	Note		2000 £		1999 £
CURRENT ASSETS					
Stocks		212,952		220,050	
Debtors	5	1,315		97	
		214,267		220,147	
CREDITORS					
Amounts falling due within one year	6	117,114		169,391	
			97,153		50,756
NET ASSETS			97,153		50,756
CAPITAL AND RESERVES					
Called up share capital	7		68,000		68,000
Profit and loss account			29,153		(17,244)
EQUITY SHAREHOLDERS' FUNDS			97,153		50,756

(Continued on page 6)

The annexed notes form part of these financial statements.

BALANCE SHEET AT 29 FEBRUARY 2000 (CONT)

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for:

i ensuring that the company keeps accounting records which comply with section 221; and

ii preparing accounts 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 in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provsions on Part VII of the companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

These financial statements were approved by the Board on 28 July 2000

ON BEHALF OF THE BOARD

J C DRAKE - DIRECTOR

The annexed notes form part of these financial statements.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 29 FEBRUARY 2000

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Cash Flow Statement

The company qualifies as a small company and advantage has therefore been taken of the exemption provided by the Financial Reporting Standard No 1 not to prepare a cash flow statement.

Basis of Preparation of Financial Statements

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

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The effect of events relating to the year ended 29 February 2000 which occurred before the date of approval of the financial statements by the Board of Directors, has been included in the statements to the extent required to show a true and fair view of the state of affairs at 29 February 2000 and of the results for the year ended on that date.

Stocks

Stocks and work in progress have been valued at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is provided on 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.

2. TURNOVER

The company's turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year.

3. NET OPERATING EXPENSES

	2000 £	1999 £
Administrative expenses	1,851	1,582

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 29 FEBRUARY 2000 (continued)

4. TAXATION ON ORDINARY ACTIVITIES

	2000 £	1999 £
Current year		
Corporation tax at 21%	7,370	-

5. DEBTORS - ALL RECEIVABLE WITHIN ONE YEAR

	2000 £	1999 £
Other debtors	1,315	97

6. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2000 £	1999 £
Bank loans and overdraft (secured)	102,271	165,541
Trade creditors	4,323	250
Corporation tax payable	7,370	-
Other creditors	3,150	3,600
	117,114	169,391

7. SHARE CAPITAL

	2000 £	1999 £
Authorised 1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid 68,000 ordinary shares of £1 each	68,000	68,000

8. RELATED PARTY TRANSACTIONS

During the year the company was invoiced £157,174 from Grosvenor Contracting Limited for construction work. At the year end £4,053 was outstanding. The director S G C Hill is a director and shareholder of Grosvenor Contracting Limited.

During the year the company paid Michael Graham Estate Agents Limited selling agents fees of £2,900. The directors J C Drake and S G C Hill are directors and shareholders of Michael Graham Estate Agents Limited.