

DELTAFIRST HOMES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2000

I N D E X

1. Director's Report.
2. Balance Sheet.
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4. Notes to the Accounts.
5. Trading and Profit and Loss Account.



DELTAFIRST HOMES LIMITED DIRECTORS' REPORT

Director's: Mr. N Clayton
Mr. L Herbert
Mr. R. Herbert

Registered
Office: 123 Cross Lane East
Gravesend
Kent DA12 5HA

The Directors have pleasure in submitting your Company's financial statements for the year ended 30 September 2000.

1. **PRINCIPAL ACTIVITIES**

The main activity of the Company is that of property development.

2. **AFFAIRS OF THE COMPANY**

The state of affairs of the Company is shown in the annexed Accounts and the Director's have no further comments to make.

3. **TAXATION STATUS**

The Company is a "Closed Company" within the terms of the Income and Corporation Taxes Act 1988.

4. **TURNOVER & EXPORTS**

The turnover for the year ended 30 September 2000 was £188,000.00.

5. **SMALL COMPANIES' EXEMPTION**

The Director's certify that they have taken advantage of Sections 247-249 Companies Act 1985. They do so on the ground that the Company is a small company and is entitled to benefit from these Sections.

6. **DONATIONS**

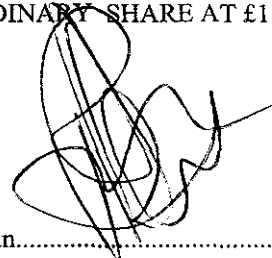
The Company made neither any charitable donations nor any political contributions.

7. **DIRECTOR'S INTERESTS IN THE COMPANY**

The interest of the Director's in the shares of the Company are:

Mr N Clayton

1 ORDINARY SHARE AT £1.00

SIGNED ON BEHALF OF THE BOARD Chairman.....

**ACCOUNTANT'S REPORT TO THE MEMBERS OF
DELTAFIRST HOLMES LIMITED**

I have examined, without carrying out an audit, the Accounts for the year ended 30 September 2000 as set out on pages 3 to 6.

Respective Responsibilities of Director and Reporting Accountant.

The Company's Director's are responsible for the preparation of the Accounts, and they believe that the Company is exempt from an audit. It is my responsibility to examine the Accounts and, based on my examination, to report my opinion, as set out below, to the shareholders.

Basis of Opinion

I have conducted my examination in accordance with the appropriate standards for reporting Accountants issued by the Auditing Practicing Board. This examination consisted of comparing the Accounts with the accounting records kept by the Company, and making such limited enquires of the officers of the Company as I considered necessary for the purpose of this report.

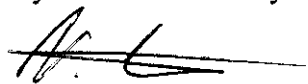
The examination was not an audit conducted in accordance with Auditing Standards. Accordingly, I do not express an audit opinion on the Accounts. Therefore, my examination does not provide any assurance that the accounting records and the Accounts are free from material misstatement.

Opinion

In my opinion:

- a) the Accounts are in agreement with those accounting records kept by the Company under section 221;
- b) having regard only to, and on the basis of, the information contained in those accounting records, these Accounts have been drawn up in a manner consistent with the provisions specified in section 249(6) of the Act; and
- c) having regard only to, and on the basis of, the information contained in those accounting records, the Company satisfied the requirements of section 249A(4) for the year and did not, at any time within that year, fall within section 249B(1).

123 CROSS LANE EAST
GRAVESEND
KENT
DA12 5HA


N J CLAYTON
CLAYTON STIRLING & CO
CERTIFIED ACCOUNTANTS

DELTAFIRST HOMES LIMITED
BALANCE SHEET
AS AT 30 SEPTEMBER 2000

	NOTE	£	£	£	£
NET ASSETS		1999		2000	
Bank Account		0		5411	
Debtors		0		1758	
Work in Progress		130000		30000	
		-----		-----	
		130000		37169	
 NET LIABILITIES					
Creditors/Accruals	1	10449		37164	
		-----		-----	
		10449		37164	
 NET ASSETS LESS					
NET LIABILITIES			119551		5
			=====		=====
 REPRESENTED BY:					
Share Capital	2	2		2	
Director's Loan Account		119998		4	
Profit and Loss Account C/F		449		7	
		-----		-----	
			119551		5
			=====		=====

We hereby take advantage of s247, Companies Act 1985, by virtue of being a small company within the meaning of s248 of the same Act. For further information regarding the above see the annexed Notes to the Accounts which form an integral part of these Accounts.

The Directors a) have taken advantage of the Companies Act 1985 S249A(2) in not having these Accounts audited.

b) have confirmed that no notice has been deposited under S249B(2) of the Companies Act 1985

c) acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with s221 of the Companies Act 1985.

d) acknowledge their responsibilities for preparing Accounts which give a true and fair view of the Company and of its profit in the period ended 30 September 2000 in accordance with the requirements of s226, and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to this Company.

e) (i) has taken advantage of the exemptions conferred by part iii of schedule 8 of the Companies Act 1985.

(ii) in his opinion the company is entitled to those exemptions on the basis that it qualifies as a small company.

----- Director

-----Date

DELTAFIRST HOMES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 SEPTEMBER 2000**

	£ 1999	£ 2000
SALES	0	188000
Cost of Sales	-10000	162265
	-----	-----
OPERATING LOSS	10000	25735
 LESS:		
Overheads	10449	25277
	-----	-----
NET LOSS BEFORE TAXATION	-449	458
Corporation Tax	0	2
	-----	-----
Net Loss after Taxation	-449	456
Dividends Payable	0	0
	-----	-----
LOSS FOR THE YEAR	-449	456
Profit & Loss Account B/F	0	-449
	-----	-----
Profit & Loss Account C/F	-449	7
	=====	=====

DELTAFIRST HOMES LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30 SEPTEMBER 2000****1 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£ 1999	£ 2000
Management Fees	10000	17500
Corporation tax	0	2
Trade Creditors	449	19662
	-----	-----
	10449	37164
	=====	=====

2 SHARE CAPITAL

Authorised issued and fully paid Ordinary share capital :-	TWO	TWO
	=====	=====

3 COST OF SALES

	£	£
Opening W I P	0	130000
Cost of Land	60000	30000
Building Cost	60000	32265
	-----	-----
	120000	192265
	=====	=====