

VI-ELLE DEVELOPMENTS LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000



Company No. 3854635 (England and Wales)

VI-ELLE DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

P J Ellwood
P J Ellwood
P C Ellwood
Mrs E Ellwood

SECRETARY

Mrs E Ellwood

COMPANY NUMBER

3854635 (England and Wales)

REGISTERED OFFICE

521 Galleywood Road
Chelmsford
Essex CM2 8AA

ACCOUNTANTS

Barnes Clark
Chartered Certified Accountants
Victoria House
88 The Causeway
Maldon
Essex CM9 4LL

VI-ELLE DEVELOPMENTS LIMITED

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VI-ELLE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2000

The Directors present their Report and the Financial Statements for the period ended 31 December 2000.

INCORPORATION AND PRINCIPAL ACTIVITY

The Company was incorporated on 7 October 1999. The principal activity of the Company is that of Property Development.

DIRECTORS

The following Directors have held office since 7 October 1999.

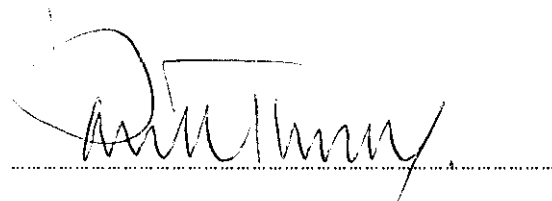
The Directors beneficial interests in the Shares of the Company is as stated below:

	<u>Ordinary Shares of £1 each</u> <u>31 December 2000</u>
P J Ellwood	1
P J Ellwood	1
P C Ellwood	1
Mrs E Ellwood	7

SMALL COMPANY RULES

This report has been prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to Small Companies.

This Report was approved by the Board on 2 August 2001 and signed on its behalf.



P J Ellwood

Director

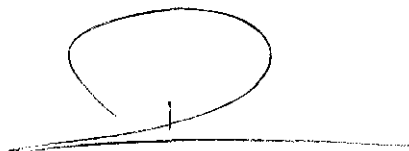
VI-ELLE DEVELOPMENTS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF
VI-ELLE DEVELOPMENTS LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the period ended 31 December 2000 set out on pages 3 to 7, 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.

Victoria House
88 The Causeway
Maldon
Essex CM9 4LL

Date: 2 August 2001

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line.

BARNES CLARK

Chartered Certified Accountants

VI-ELLE DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2000

	<u>Notes</u>	£
<u>TURNOVER</u>	1	-
<u>Add: Work in Progress at 31/12/00</u>		70,000

		70,000
<u>Less: Cost of Sales</u>		(58,267)

<u>GROSS PROFIT</u>		11,733
Administrative Expenses		(10,907)

<u>OPERATING PROFIT</u>	2	826
Other Interest Receivable and Similar Income	3	-
Interest Payable and Similar Charges		(6,812)

<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(5,986)
<u>TAX ON LOSS ON ORDINARY ACTIVITIES</u>	4	-

<u>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</u>		(5,986)
Dividends	5	-

<u>RETAINED LOSS FOR THE PERIOD</u>		£ (5,986)
		=====

The notes on pages 5 to 7 form part of these Financial Statements.

VI-ELLE DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2000

	<u>Notes</u>	£	£
<u>FIXED ASSETS</u>			
Tangible Assets	6		1,800
<u>CURRENT ASSETS</u>			
Stock and Work in Progress		232,500	
Debtors	7	916	
Cash at Bank and in Hand		1,635	

		235,051	
<u>CREDITORS</u> Amounts falling due			
within one year	8	(192,827)	

<u>NET CURRENT ASSETS</u>			42,224

<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			44,024
<u>CREDITORS</u> Amounts falling due	9		
after more than one year			(50,000)

			£ (5,976)
			=====
<u>CAPITAL RESERVES</u>			
Called Up Share Capital	10		10
Profit and Loss Account			(5,986)

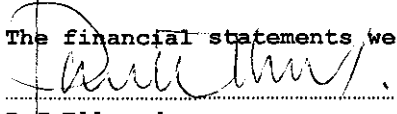
<u>SHAREHOLDERS' FUNDS</u>			£ (5,976)
			=====

In preparing these financial statements:

- (a) The directors are of the opinion that the Company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 Provisions of Part VII of the Companies Act 1985 applicable to Small Companies and with the Financial Reporting Standard for Smaller Entities.

The financial statements were approved by the Board on 2 August 2001.


P J Ellwood
Director

The notes on pages 5 to 7 form part of these Financial Statements.

VI-ELLE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

1.1 Accounting Convention

The Financial Statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

1.2 Turnover

Turnover represents Sales of Property and Work Done net of VAT and trade discounts.

1.3 Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset, over their expected useful life, as follows:

Plant and Machinery	10% reducing balance basis
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1.4 Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as Tangible Fixed Assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance Leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in Creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged to profit and loss account as incurred.

1.5 Stocks and Work in Progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Work in progress is valued by the Directors at cost plus any attributable profit, less a provision for any foreseeable losses on developments.

1.6 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

VI-ELLE DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2000

2. OPERATING PROFIT

Operating profit is stated after charging:

Company Formation Costs	150
Depreciation of tangible assets	200
Directors' emoluments	7,000
	=====

3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Bank Interest	-
	=====

4. TAXATION

U.K. Corporation Tax	-
Transfer to (from) deferred taxation	-

£	-
	=====

5. DIVIDEND

No dividends were declared for the period	£ -
	=====

6. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Plant and Machinery</u>
Additions	2,000
Disposals	-

At 31 December 2000	£ 2,000
	=====
<u>Depreciation</u>	
Charge for year	200

At 31 December 2000	£ 200
	=====
<u>Net Book Value</u>	
At 31 December 2000	£ 1,800
	=====

7. DEBTORS

Trade Debtors	-
Other Debtors	916

£	916
	=====

VI-ELLE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2000

8. CREDITORS amounts falling due within one year

Corporation Tax	-
Bank Loans and Overdrafts (Secured)	136,981
Trade Creditors	5,080
Taxation and Social Security	-
Other Creditors	8,618
Directors Loans	42,148

	£ 192,827
	=====

The Bank Loans and overdrafts are secured on the Development Land.

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

Directors Loans	£ 50,000
	=====

10. SHARE CAPITAL

Authorised

100 Ordinary Shares of £1 each	£ 100
	=====

Allotted, Called Up and Fully Paid

10 Ordinary Shares of £1 each	£ 10
	=====