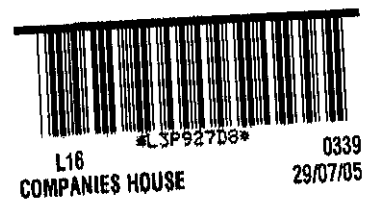


Registered number
3544570

**REGISTRAR'S
COPY**

BELMONT HOMES LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004



BELMONT HOMES LIMITED

COMPANY INFORMATION

Directors

D Daly
Mrs M Daly
T G Evans
D Rickell

Secretary

D Daly

Auditors

Spofforths
Courtyard House
30 Worthing Road
Horsham
West Sussex
RH12 1SL

Registered office

Courtyard House
30 Worthing Road
Horsham
West Sussex
RH12 1SL

Solicitors

Coole & Haddock
5 The Steyne
Worthing
West Sussex
BN11 3DT

Bankers

Bank of Ireland
Kilburn High Road
Kilburn
London
NW6 6SF

Registered number

3544570

BELMONT HOMES LIMITED

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The following pages do not form part of the statutory accounts:

Management profit and loss account	13 to 14
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BELMONT HOMES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2004

The directors present their report and accounts for the year ended 30 September 2004.

Principal activities and review of the business

The company's principal activity during the year continued to be that of housebuilders.

Results and dividends

The results for the year are set out in the profit and loss account on page 3. Profit on ordinary activities before taxation for the year was £2,865,803 (2003: loss £461,886).

The directors consider the state of the company's affairs to be satisfactory. The company expects to show significant profits in 2004 as the units in progress are sold. The company is actively seeking to expand the company's housebuilding services and looking for new sites.

The directors do not recommend a dividend.

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

£1 Ordinary shares		
	30	1
	September	October
	2004	2003

D Daly	-	-
Mrs M Daly	-	-
T G Evans	-	-
D Rickell	-	-

None of the directors had any direct beneficial interest in the share capital of the company other than through their shareholding in Albany Homes Limited, a company incorporated in the Republic of Ireland, which is the ultimate parent undertaking and 100% shareholder of the company. The interests of the directors of Albany Homes Limited are disclosed in the accounts of the ultimate parent company.

Directors' responsibilities

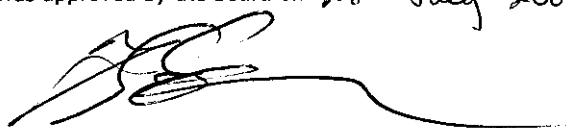
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts comply with the Companies Act 1985. They 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.

This report was approved by the board on 28 July 2005

T G Evans
Director



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

BELMONT HOMES LIMITED

We have audited the accounts of Belmont Homes Limited for the year ended 30 September 2004 on pages 3 to 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Spofforths
Chartered Accountants and Registered Auditors
Courtyard House
30 Worthing Road
Horsham
West Sussex
RH12 1SL

Date: 28 July 2005

BELMONT HOMES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 SEPTEMBER 2004**

	Notes	2004 £	2003 £
Turnover	2	18,440,505	<i>5,351,750</i>
Change in work in progress		(531,441)	<i>9,073,932</i>
Other operating income		17,172	-
Site purchases and development		(598,580)	<i>(737,247)</i>
Raw materials and consumables		(13,314,391)	<i>(12,178,707)</i>
Staff costs			
Wages and salaries	5	(387,980)	<i>(385,655)</i>
Social security costs	5	(29,665)	<i>(41,890)</i>
Other pension costs	5	(1,200)	<i>(3,600)</i>
Depreciation and other amounts written off tangible fixed assets		(69,070)	<i>(45,499)</i>
Other operating charges		(455,209)	<i>(270,058)</i>
Operating profit		3,070,141	<i>763,026</i>
Other interest receivable and similar income		196	-
Interest payable and similar charges	6	(1,247,862)	<i>(1,224,912)</i>
Profit/(loss) on ordinary activities before taxation		1,822,475	<i>(461,886)</i>
Tax on profit/(loss) on ordinary activities	7	(495,998)	<i>72,289</i>
Retained profit/(loss) for the financial year	14	1,326,477	<i>(389,597)</i>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit/(loss) for the above two financial years.

BELMONT HOMES LIMITED

BALANCE SHEET


AS AT 30 SEPTEMBER 2004

	Notes	£	2004 £	£	2003 £
Fixed assets					
Tangible assets	8		180,890		192,032
Current assets					
Stocks	9	27,931,543		28,462,984	
Debtors	10	<u>158,114</u>		<u>174,118</u>	
		28,089,657		28,637,102	
Creditors: amounts falling due within one year	11	<u>(26,715,456)</u>		<u>(28,583,901)</u>	
Net current assets			<u>1,374,201</u>		<u>53,201</u>
Total assets less current liabilities			<u>1,555,091</u>		<u>245,233</u>
Creditors: amounts falling due after more than one year	12		-		(16,619)
			<u>1,555,091</u>		<u>228,614</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		<u>1,554,991</u>		<u>228,514</u>
Shareholders funds - equity	16		<u>1,555,091</u>		<u>228,614</u>

T G Evans

Director

Approved by the board on 28


July 2005

BELMONT HOMES LIMITED

CASH FLOW STATEMENT

AS AT 30 SEPTEMBER 2004

	Notes	2004 £	2003 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		3,070,141	763,026
Depreciation charges		52,967	46,251
Loss/(profit) on sale of fixed assets		16,103	(752)
Decrease/(increase) in stocks		531,441	(9,073,932)
Decrease in debtors		(56,209)	(193,211)
Increase in creditors		1,842,330	1,552,636
Net cash inflow/(outflow) from operating activities		5,456,773	(6,905,982)
CASH FLOW STATEMENT			
Net cash inflow/(outflow) from operating activities		5,456,773	(6,905,982)
Returns on investments and servicing of finance	17	(1,247,666)	(1,224,912)
Taxation		72,213	72,289
Capital expenditure	17	(57,928)	(76,377)
		4,223,392	(8,134,982)
Financing	17	2,829,132	(1,503,309)
Increase/(decrease) in cash		7,052,524	(9,638,291)
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash		7,052,524	(9,638,291)
(Increase)/decrease in debt financing	18	(2,829,132)	1,465,917
Change in net debt	18	4,223,392	(8,172,374)
Net debt at beginning of year		(26,395,206)	(18,222,832)
Net debt at end of year	18	(22,171,814)	(26,395,206)

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover is the total amount receivable by the company for the sale of houses, excluding VAT and discounts. Income from the sale of houses is recognised following legal completion. Deposits received are included in the accounts as deferred income.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Motor vehicles	20% per annum
Furniture and equipment	20% per annum

Stocks

Stocks, including work in progress, are consistently valued at the lower of cost and net realisable value.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Pensions

Contributions in respect of the company's defined contribution pension plan are charged to the profit and loss account for the year in which they are payable to the plan. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

2 Turnover

Turnover was derived wholly from the company's principal activity.

Analysis by geographical market:

	2004	<i>2003</i>
	£	<i>£</i>
UK	<u>18,440,505</u>	<i><u>5,351,750</u></i>

3 Operating profit

2004	<i>2003</i>
£	<i>£</i>

This is stated after charging:

Depreciation of owned fixed assets	43,657	<i>39,268</i>
Depreciation of assets held under hire purchase contracts	9,310	<i>6,983</i>
Loss /(profit) on sale of fixed assets	16,103	<i>(752)</i>
Loss on foreign exchange	(7,551)	<i>4,034</i>
Auditors' remuneration - non audit work	15,759	<i>28,399</i>
Auditors' remuneration	<u>4,100</u>	<i><u>3,625</u></i>

4 Directors' emoluments

2004	<i>2003</i>
£	<i>£</i>

Emoluments	207,277	<i>176,277</i>
Company contributions to money purchase pension plans	<u>1,200</u>	<i><u>3,600</u></i>
	<u>208,477</u>	<i><u>179,877</u></i>

Highest paid director:

Emoluments	128,854	<i>119,076</i>
Company contributions to money purchase pension schemes	<u>1,200</u>	<i><u>3,600</u></i>
	<u>130,054</u>	<i><u>122,676</u></i>

Number of directors in company pension schemes:

2004	<i>2003</i>
Number	<i>Number</i>

Money purchase schemes	<u>1</u>	<i><u>1</u></i>
------------------------	-----------------	-----------------

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

5 Staff costs	2004	2003
	£	£
Wages and salaries	387,980	385,655
Social security costs	29,665	41,890
Other pension costs	1,200	3,600
Other costs	-	2,652
	418,845	433,797

Average number of employees during the year

	Number	Number
Administration	13	9

6 Interest payable	2004	2003
	£	£
Bank loans and overdrafts	1,246,576	1,224,054
Interest payable under hire purchase contracts	1,286	858
	1,247,862	1,224,912

7 Taxation

Analysis of charge in year	2004	2003
	£	£
Current tax:		
UK corporation tax on profits of the year	495,998	(72,213)
Adjustments in respect of previous years	-	(76)
	495,998	(72,289)
Total current tax (see below)	495,998	(72,289)
Tax on profit on ordinary activities	495,998	(72,289)

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>1,822,475</u>	<u>(461,886)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003 : 30%)	546,743	(138,566)
Effects of:		
Expenses not deductible for tax purposes	1,351	2,964
Capital allowances for year in excess of depreciation	3,386	(10,727)
Marginal relief adjustment		-
Losses carried forward	(55,587)	74,116
Adjustments in respect of previous years	-	(76)
Current tax charge for year as above	<u>495,893</u>	<u>(72,289)</u>

8 Tangible fixed assets

		Furniture, equipment and motor vehicles
		£
Cost		
At beginning of year		254,748
Additions		68,140
Disposals		(40,465)
At end of year		282,423
Depreciation		
At beginning of year		62,716
Charge for the year		52,967
On disposals		(14,150)
At end of year		101,533
Net book value		
At 30 September 2004		180,890
<i>At 30 September 2003</i>		<i>192,032</i>
	2004	<i>2003</i>
	£	£
Net book value of equipment included above held under hire purchase contracts	32,585	<i>39,568</i>

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

9 Stocks	2004	2003
	£	£
Work in progress	<u>27,931,543</u>	<u>28,462,984</u>

10 Debtors	2004	2003
	£	£
Trade debtors	400	400
Other debtors	152,083	164,140
Prepayments and accrued income	<u>5,631</u>	<u>9,578</u>
	<u>158,114</u>	<u>174,118</u>

11 Creditors: amounts falling due within one year	2004	2003
	£	£
Bank loans and overdrafts (secured)	22,155,195	26,366,123
Obligations under hire purchase contracts	16,619	12,464
Trade creditors	1,335,905	625,712
Amounts owed to group undertakings	604,175	447,142
Corporation tax	495,998	-
Other taxes and social security costs	19,492	16,229
Other creditors	26,116	1,736
Accruals and deferred income	<u>2,061,956</u>	<u>1,114,495</u>
	<u>26,715,456</u>	<u>28,583,901</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets and by a guarantee provided by the company's parent undertaking.

12 Creditors: amounts falling due after one year	2004	2003
	£	£
Obligations under hire purchase contracts	<u>-</u>	<u>16,619</u>

13 Obligations under hire purchase contracts	2004	2003
	£	£
Amounts payable:		
Within one year	16,619	12,464
Within two to five years	<u>-</u>	<u>16,619</u>
	<u>16,619</u>	<u>29,083</u>

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

14 Share capital			2004	2003
			£	£
Authorised:				
Ordinary shares of £1 each			<u>100</u>	<u>100</u>
	2004	2003	2004	2003
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
15 Profit and loss account			2004	2003
			£	£
At beginning of year			228,514	618,111
Retained profit/(loss)			<u>1,326,477</u>	<u>(389,597)</u>
At end of year			<u>1,554,991</u>	<u>228,514</u>
16 Reconciliation of movement in shareholders' funds			2004	2003
			£	£
Profit/(loss) for the financial year			1,326,477	(389,597)
At beginning of year			<u>228,614</u>	<u>618,211</u>
At end of year			<u>1,555,091</u>	<u>228,614</u>
17 Gross cash flows			2004	2003
			£	£
Returns on investments and servicing of finance				
Interest received			196	-
Interest paid			<u>(1,246,576)</u>	<u>(1,224,054)</u>
Interest element of hire purchase payments			<u>(1,286)</u>	<u>(858)</u>
			<u>(1,247,666)</u>	<u>(1,224,912)</u>
Capital expenditure				
Payments to acquire tangible fixed assets			<u>(68,140)</u>	<u>(119,343)</u>
Receipts from sales of tangible fixed assets			<u>10,212</u>	<u>42,966</u>
			<u>(57,928)</u>	<u>(76,377)</u>
Financing				
Increase in bank loans due within 1 year			2,841,596	(1,495,000)
Capital element of hire purchase payments			<u>(12,464)</u>	<u>(8,309)</u>
			<u>2,829,132</u>	<u>(1,503,309)</u>

BELMONT HOMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

18 Analysis of changes in net debt

	At beginning of year	Cash flows	At end of year
	£	£	£
Overdrafts	<u>(10,111,123)</u>	<u>7,052,524</u>	<u>(3,058,599)</u>
Debt due within 1 year	(16,255,000)	(2,841,596)	(19,096,596)
Hire purchase contracts	<u>(29,083)</u>	<u>12,464</u>	<u>(16,619)</u>
	(16,284,083)	(2,829,132)	(19,113,215)
Total	<u>(26,395,206)</u>	<u>4,223,392</u>	<u>(22,171,814)</u>

19 Pension commitments

The company contributes to a defined contribution personal pension plan on behalf of one of the directors. The pension cost charge represents contributions payable by the company to the plan and amounted to £1,200 (2003: £3,600).

20 Transactions with directors

During the year the company paid expenses of £nil (2003: £1,074) on behalf of Kelobridge Limited, a company of which D Daly and Mrs M Daly are directors and shareholders. The balance due from Kelobridge Limited at the end of the year, and the maximum during the year was £3,549 (2003: £3,549), which is included in other debtors.

Included in work in progress are amounts totalling £502,476 relating to services provided to D Daly, a director of the company. All transactions have taken place on an arms length basis.

21 Related parties

In the directors' opinion the company's immediate and ultimate parent company and controlling party is Albany Homes Limited which is incorporated in the Republic of Ireland. Copies of its group accounts, which include the company, are available from The Gables, Foxrock, Dublin 18, Republic of Ireland.

In accordance with the exemptions provided by FRS 8, no separate disclosure has been made of transactions with the parent undertaking.

BELMONT HOMES LIMITED
MANAGEMENT PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004		2003
	£	£	£
Turnover	18,440,505		5,351,750
Cost of sales			
Opening work in progress	28,462,984	<i>19,389,052</i>	
Site purchases and development	735,668	<i>874,335</i>	
Materials, plant hire, etc	12,110,243	<i>11,817,935</i>	
Site clearance and demolition	713,286	<i>280,086</i>	
Legal and professional fees	379,538	<i>74,119</i>	
Advertising	111,324	<i>6,567</i>	
	42,513,043	<i>32,442,094</i>	
Closing work in progress	(27,931,543)	<i>(28,462,984)</i>	
	(14,581,500)		<i>(3,979,110)</i>
Gross profit	3,859,005		1,372,640
Other income	17,172		-
Less expenses			
Administrative expenses	806,036	<i>609,614</i>	
	(806,036)		<i>(609,614)</i>
Profit before interest	3,070,141		763,026
Interest payable			
On bank loans and overdrafts	1,246,576	<i>1,224,054</i>	
On hire purchase contracts	1,286	<i>858</i>	
	(1,247,862)		<i>(1,224,912)</i>
Interest receivable			
Bank interest receivable	196		-
Profit /(loss) for the year before taxation	1,822,475		(461,886)

BELMONT HOMES LIMITED**MANAGEMENT PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 SEPTEMBER 2004**

	2004 £	2003 £
Other Income		
Rent receivable	<u>17,172</u>	<u>-</u>
Analysis of expenses		
Administrative expenses		
Employment costs:		
Directors' remuneration	175,000	144,000
Directors' national insurance	29,665	16,187
Directors' pension costs	1,200	3,600
Wages and salaries	75,893	130,271
Staff training and welfare	-	2,652
Other staff costs	<u>7,175</u>	<u>14,299</u>
	<u>288,933</u>	<u>311,009</u>
Establishment costs:		
Rent and rates	41,871	37,552
Light, heat and power	2,126	727
Cleaning	11,651	5,896
Repairs and maintenance	31	2,368
Insurance	49,944	17,898
Hire of equipment	-	746
Premises expenses	<u>777</u>	<u>8,199</u>
	<u>106,400</u>	<u>73,386</u>
Other costs:		
Printing, postage and stationery	11,205	23,063
Telecommunication costs	24,032	19,926
Legal and professional fees	3,712	3,504
Management fees	214,832	35,000
Audit and accountancy fees	19,859	32,024
Bank charges	6,509	1,439
Motor expenses	37,908	28,717
Travel and subsistence	7,924	13,155
Entertaining	4,453	9,884
Subscriptions and donations	8,557	7,919
Sundry expenses	10,193	1,055
Loss on exchange	(7,551)	4,034
Loss/(profit) on sale of fixed assets	16,103	(752)
Depreciation	<u>52,967</u>	<u>46,251</u>
	<u>410,703</u>	<u>225,219</u>
	<u>806,036</u>	<u>609,614</u>