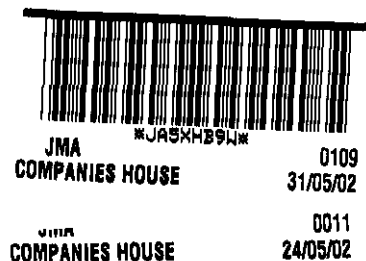


CONNELL DEVELOPMENTS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST MAY 2001



EDWARDS VEEDER
Chartered Accountants & Registered Auditors
Bank House
260/8 Chapel Street
Salford
MANCHESTER M3 5JZ

CONNELL DEVELOPMENTS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2001

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Notes to the abbreviated financial statements	3

CONNELL DEVELOPMENTS LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st May 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

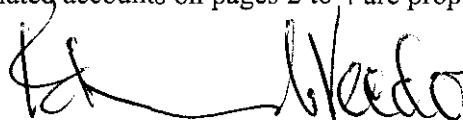
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Bank House
260/8 Chapel Street
Salford
MANCHESTER M3 5JZ

25.5.02



EDWARDS VEEDER
Chartered Accountants
& Registered Auditors

CONNELL DEVELOPMENTS LIMITED

ABBREVIATED BALANCE SHEET

31ST MAY 2001

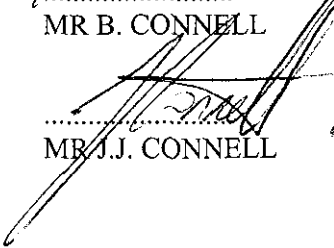
	Note	2001	2000
		£	£
FIXED ASSETS	2		
Tangible assets		1,362,125	492,261
CURRENT ASSETS			
Cash at bank and in hand		40,834	5,594
CREDITORS: Amounts falling			
Due within one year		(1,347,428)	(498,348)
NET CURRENT LIABILITIES		(1,306,594)	(492,754)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>55,531</u>	<u>(493)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	2	2
Profit and Loss Account		<u>55,529</u>	<u>(495)</u>
SHAREHOLDERS' FUNDS			
/(DEFICIENCY)		<u>55,531</u>	<u>(493)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 28.5.01, and are signed on their behalf by:


MR B. CONNELL


MR J.M. CONNELL


MR J.J. CONNELL

CONNELL DEVELOPMENTS LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Furniture & Fittings - 15%

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st June 2000	495,484
Additions	873,264
At 31st May 2001	<u><u>1,368,748</u></u>
DEPRECIATION	
At 1st June 2000	3,223
Charge for year	3,400
At 31st May 2001	<u><u>6,623</u></u>
NET BOOK VALUE	
At 31st May 2001	<u><u>1,362,125</u></u>
At 31st May 2000	<u><u>492,261</u></u>

CONNELL DEVELOPMENTS LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2001

3. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
2 Ordinary shares of £1.00 each	2	2

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital brought forward	2	-
Issue of ordinary shares	-	2
	<u>2</u>	<u>2</u>