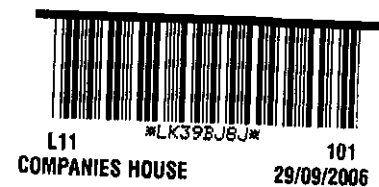

DAVID CANNON PROPERTIES LIMITED

UNAUDITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
30 NOVEMBER 2005**



DAVID CANNON PROPERTIES LIMITED

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF DAVID CANNON PROPERTIES LIMITED**

In accordance with the engagement letter dated 29 April 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of the financial statements.

You have acknowledged on the balance sheet for the year ended 30 November 2005 your duty to ensure that the company has kept proper accounting records and to prepare the financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

**Haslars**

Chartered Accountants and Business Advisers

Old Station Road
Loughton
Essex
IG10 4PL

9 June 2006

DAVID CANNON PROPERTIES LIMITED
ABBREVIATED BALANCE SHEET
As at 30 November 2005

	Note	£	2005	£	£	2004	£
FIXED ASSETS							
Tangible fixed assets	2			117,356			117,513
CURRENT ASSETS							
Debtors		277,676			218,172		
Cash at bank		12,169			-		
				<u>289,845</u>		<u>218,172</u>	
CREDITORS: amounts falling due within one year				<u>(34,480)</u>		<u>(43,542)</u>	
NET CURRENT ASSETS				<u>255,365</u>		<u>174,630</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>£ 372,721</u>		<u>£ 292,143</u>	
CAPITAL AND RESERVES							
Called up share capital				2			2
Revaluation reserve				116,465			116,465
Profit and loss account				256,254			175,676
SHAREHOLDERS' FUNDS				<u>£ 372,721</u>		<u>£ 292,143</u>	

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 November 2005 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 9 June 2006 and signed on its behalf.



S.A. Leslie
 Director

The notes on pages 3 to 4 form part of these financial statements.

DAVID CANNON PROPERTIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 November 2005

1. ACCOUNTING POLICIES
1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of Freehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover represents income from properties.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	not provided
Fixtures & Fittings	-	15 % reducing balance

1.5 Freehold Investment Properties

Sums received for lease period extensions have been deducted from original cost where the company owns the relevant freehold reversions. Since the cost of the company's property portfolio has been fully recovered, the proceeds of any further lease extensions will be credited as profit.

In accordance with Statement of Standard Accounting Practice 19, no amortisation or depreciation is provided in respect of the portfolio of ground rent properties. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view. The financial effect of the departure from these rules cannot reasonably be quantified as depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

DAVID CANNON PROPERTIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 November 2005

2. TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 1 December 2004 and 30 November 2005	121,892
	<hr/>
Depreciation	
At 1 December 2004	4,379
Charge for the year	157
	<hr/>
At 30 November 2005	4,536
	<hr/>
Net book value	
At 30 November 2005	£ 117,356
	<hr/>
At 30 November 2004	£ 117,513
	<hr/>

The directors consider that the value of the portfolio at the balance sheet date is as stated in these accounts.

8. SHARE CAPITAL

	2005	2004
	£	£
Authorised		
1,000 Ordinary shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	£ 2	£ 2
	<hr/>	<hr/>

RESERVES

	2005	2004
	£	£
Revaluation reserve	£ 116,465	£ 116,465
	<hr/>	<hr/>

9. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Ultimate Parent Undertaking is Ultrahome Limited, a company incorporated in England.