

REGISTERED NUMBER: 02930345 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 March 2000

for

The Baron Homes Corporation Limited



**Contents of the Abbreviated Financial Statements
for the Year Ended 31 March 2000**

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

The Baron Homes Corporation Limited

**Company Information
for the Year Ended 31 March 2000**

DIRECTOR: Mrs N Karimi

SECRETARY: Mr Richard Blencowe

REGISTERED OFFICE: The Studio
404-406 Chiswick High Road
London W4 5UT

REGISTERED NUMBER: 02930345 (England and Wales)

AUDITORS: Keyse Poulter Stern
Registered Auditor
The Studio
Entrance Essex Place
London
W4 5UT

**Report of the Auditors to
The Baron Homes Corporation Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 March 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

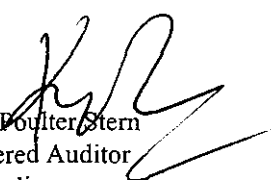
The director is responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.


Keyse Poulter Stern
Registered Auditor
The Studio
Entrance Essex Place
London
W4 5UT

Dated: 15 September 2000

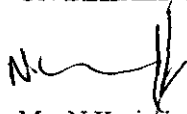
The Baron Homes Corporation Limited

**Abbreviated Balance Sheet
31 March 2000**

		31.3.00		31.3.99	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		11,832,162		7,307,429
CURRENT ASSETS:					
Debtors		125,634		56,988	
Cash at bank and in hand		729		47,065	
		126,363		104,053	
CREDITORS: Amounts falling due within one year	3	351,000		170,883	
NET CURRENT LIABILITIES:			(224,637)		(66,830)
TOTAL ASSETS LESS CURRENT LIABILITIES:			11,607,525		7,240,599
CREDITORS: Amounts falling due after more than one year	3		4,154,342		3,977,201
			£7,453,183		£3,263,398
CAPITAL AND RESERVES:					
Called up share capital	4		100		100
Revaluation reserve			7,143,336		3,060,889
Profit and loss account			309,747		202,409
SHAREHOLDERS' FUNDS:			£7,453,183		£3,263,398

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

ON BEHALF OF THE BOARD:



Mrs N Karimi - DIRECTOR

Approved by the Board on 15 September 2000

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2000**

1. ACCOUNTING POLICIES

Going concern

The financial statements have been prepared on a going concern basis. The director is of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements. The director has assured her continued support to the company.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Leasehold property	- not provided
Office furniture	- 25% on reducing balance
Fixtures & fittings	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Depreciation is not provided on the freehold and leasehold investment properties where the lease is less than 20 years or more to run.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Investment properties

The company's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows :

(1) investment properties are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year; and

(2) no depreciation is provided in respect of leasehold investment properties where the lease has over 20 years to run.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the director believe that the policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2000

2. TANGIBLE FIXED ASSETS

	Total
	£
COST OR VALUATION:	
At 1 April 1999	7,353,126
Additions	719,838
Disposals	(256,462)
Surplus on revaluation	4,095,320
Deficit on revaluation	(12,872)
At 31 March 2000	11,898,950
DEPRECIATION:	
At 1 April 1999	45,698
Charge for year	21,090
At 31 March 2000	66,788
NET BOOK VALUE:	
At 31 March 2000	11,832,162
At 31 March 1999	7,307,429

3. CREDITORS

Creditors include the following debts falling due in more than five years:

	31.3.00 £	31.3.99 £
Repayable by instalments		
Bank loans	3,151,967	3,308,121

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.00 £	31.3.99 £
100	Ordinary	£1	100	100

5. ULTIMATE PARENT COMPANY

The company is a subsidiary of Chestnut Development Company Limited, a company incorporated in England and Wales.