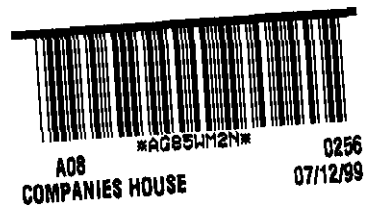


Barratt Properties Limited
Annual report
for the year ended 30 June 1999

Registered no: 786307



Barratt Properties Limited

Annual report for the year ended 30 June 1999

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Directors' report for the year ended 30 June 1999

The directors present their report and the audited accounts for the year ended 30 June 1999.

Principal activity

The company's principal activity is the development of and trading in commercial properties.

Review of business and future developments

The company has not traded during the year.

Dividends

The directors do not recommend the payment of a dividend (1998: £Nil).

Directors

The directors of the company at 30 June 1999, both of whom have been directors for the whole of the year ended on that date, were:

C A Dearlove (Chairman)
D R Broadhead

Directors' interests

None of the directors had any interests in the share capital of the company during the year or at the year end. The interest of Mr C A Dearlove in the shares of the ultimate parent company, Barratt Developments PLC, are shown in that company's annual report.

The interests of Mr D R Broadhead in the shares of the ultimate parent, Barratt Developments PLC are shown in the accounts of the intermediate parent company, Barratt Commercial Limited.

Directors' responsibilities

The directors are required by UK company law to prepare accounts for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 30 June 1999. The directors also confirm that applicable accounting standards have been followed and that the accounts have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Year 2000

The directors recognise the importance of the Year 2000 issue and have endorsed a programme to ensure that all systems are compliant and all key risk areas are identified. The review at group level is in progress and it is currently envisaged that there will not be a material cost to the company. However, due to the complexity and uncertainty of the issue there is no absolute guarantee that problems will not be encountered. As a consequence, the directors will keep this issue under review.

Auditors

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

By order of the board



Company secretary

14 October 1999

**Report of the auditors to the members of
Barratt Properties Limited**

We have audited the financial statements on pages 4 to 6 which have been prepared under the historic cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 2, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with 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 at 30 June 1999 and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors
Newcastle upon Tyne
14 October 1999

**Balance sheet
at 30 June 1999**

	Notes	1999 £'000	1998 £'000
Current assets			
Debtors	3	1,570	1,570
Net assets		<u>1,570</u>	<u>1,570</u>
Capital and reserves			
Called up share capital	4	5	5
Profit and loss account	5	1,565	1,565
Equity shareholders' funds		<u>1,570</u>	<u>1,570</u>

The accounts on pages 4 to 6 were approved by the board of directors on 14 October 1999 and were signed on its behalf by:



Director

**Notes to the accounts
for the year ended 30 June 1999****1 Principal accounting policies**

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The company prepares its annual accounts under the historical cost convention.

Cash flow

The company is a wholly owned subsidiary of Barratt Developments PLC and the cash flows of the company are included in the consolidated cash flow statement of Barratt Developments PLC. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 (Revised) from publishing a cash flow statement.

Deferred taxation

Provision is made for deferred taxation by the liability method to the extent that a liability is expected to arise in the foreseeable future.

2 Directors and employees

The company has no employees and none of the directors received any remuneration from the company during the year (1998: £Nil).

3 Debtors

	1999 £'000	1998 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	1,570	1,570

4 Called up share capital

	1999 £'000	1998 £'000
Authorised		
5,000 (1998: 5,000) ordinary shares of £1 each	<u>5</u>	<u>5</u>
Allotted, called up and fully paid		
5,000 (1998: 5,000) ordinary shares of £1 each	<u>5</u>	<u>5</u>

5 Profit and loss account

	£'000
At 1 July 1998 and 30 June 1999	<u>1,565</u>

6 Ultimate parent company and controlling party

The directors regard Barratt Developments PLC, a company registered in England and Wales, as the ultimate parent company and controlling party. Copies of the parent company's accounts may be obtained from Barratt Developments PLC, Wingrove House, Ponteland Road, Newcastle upon Tyne, NE5 3DP.

7 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard Number 8 'Related Party Transactions' not to disclose details of transactions with Barratt group companies.