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Registered number: 2673516

BAYFORDBURY ESTATES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 OCTOBER 2004



BAYFORDBURY ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT TO BAYFORDBURY ESTATES LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Bayfordbury Estates Limited for the year ended 31 October 2004 set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 October 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with s.247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND 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 and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT 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 Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Wilder Coe
Chartered Accountants & Registered Auditors
233-237 Old Marylebone Road
London
NW1 5QT

Date: 21/03/2005

BAYFORDBURY ESTATES LIMITED

ABBREVIATED BALANCE SHEET
As at 31 October 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible fixed assets	2	251,671	-
CURRENT ASSETS			
Stocks		10,352,382	5,914,581
Debtors		63,342	5,221
Cash at bank		1,049,260	353,167
		<u>11,464,984</u>	<u>6,272,969</u>
CREDITORS: amounts falling due within one year	3	<u>(12,136,350)</u>	<u>(4,405,941)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(671,366)</u>	<u>1,867,028</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(419,695)</u>	<u>1,867,028</u>
CREDITORS: amounts falling due after more than one year	3	<u>-</u>	<u>(1,856,000)</u>
NET (LIABILITIES)/ASSETS		<u><u>£ (419,695)</u></u>	<u><u>£ 11,028</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		(419,795)	10,928
SHAREHOLDERS' FUNDS - All Equity		<u><u>£ (419,695)</u></u>	<u><u>£ 11,028</u></u>

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 18 July 2005 and signed on its behalf.


Director

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

BAYFORDBURY ESTATES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 October 2004

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 and include the results of the company's operations, all of which are continuing.

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Turnover

Turnover comprises the value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	50%	straight line
Fixtures & Fittings	-	5%	straight line
Office Equipment	-	25%	straight line

1.5 Stocks and work in progress

Land and development work in progress is valued at the lower of cost and net realisable value in the normal course of business.

Interest on loans to finance developments is charged to the Profit and Loss Account during the period of development. Interest on loans to finance land held for future development is capitalised as work in progress.

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.8 Going concern

The financial statements have been prepared on the going concern basis, despite the net current liabilities and net liabilities, which the directors believe to be appropriate for the following reason. The company is reliant for its working capital on funds provided to it by its majority shareholder and director, J. A. Barham, who has agreed to financially support the company, for at least 12 months from the date of the approval of these financial statements. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

On this basis the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis being inappropriate.

BAYFORDBURY ESTATES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 October 2004

2. TANGIBLE FIXED ASSETS

	£
Cost	
Additions	344,883
At 31 October 2004	<u>344,883</u>
Depreciation	
Charge for the year	93,212
At 31 October 2004	<u>93,212</u>
Net book value	
At 31 October 2004	£ 251,671
At 31 October 2003	<u>£ -</u>

3. CREDITORS

Bank loans are repayable on demand at any time and are secured by a first charge over the stock and by an unlimited guarantee given by Beverley Homes Limited, a related party to the company by virtue of common directors.

4. SHARE CAPITAL

	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	£ 100	£ 100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100

5. TRANSACTIONS WITH DIRECTORS

Included in other creditors at the balance sheet date is an amount of £7,880,221 (2003: £3,933,000) owed to J.A. Barham, a director of the company.

All transactions were carried out at arms' length and on normal commercial terms.