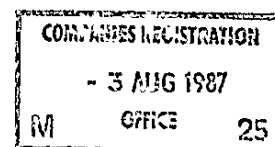


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REGIONAL PROPERTY DEVELOPMENTS LIMITED

ACCOUNTS
YEAR ENDED 31ST DECEMBER, 1986



REGIONAL PROPERTY DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and audited accounts of the Company for the year ended 31st December, 1986.

1. ACTIVITIES

The Company commenced trading in December 1984 as a property investment Company. The Company has entered into a partnership to deal in property. The partnership will continue for a minimum period ending on 11th August, 1988.

2. RESULTS AND DIVIDENDS

The results for the year are shown on page 3. The Directors do not recommend the payment of a dividend.

3. DIRECTORS

The Directors of the Company and their interests in the Ordinary shares of £1 each were:

	<u>31st December, 1986</u>	<u>31st December, 1985</u>
J D Armitage	-	40
H Davies	-	-

4. STATUS OF COMPANY

Under present legislation, the Company is a close Company for the purposes of taxation.

5. AUDITORS

A resolution to re-appoint the auditors, Messrs Moores & Rowland, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



Secretary

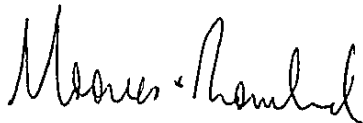
REPORT OF THE AUDITORS

to the members of

REGIONAL PROPERTY DEVELOPMENTS LIMITED

We have audited the financial statements on pages 3 to 5 in accordance with approved auditing standards.

In our opinion, the financial statements which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31st December, 1986 and of its loss for the year then ended and comply with the Companies Act 1985.



Chartered Accountants

4 Pembroke Road

SEVENOAKS

Kent TN13 1XR

29th July 1987

REGIONAL PROPERTY DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1986

	<u>1986</u> <u>£</u>	<u>1985</u> <u>£</u>
ADMINISTRATION EXPENSES		
Audit fee	345	345
Accountancy	230	230
Bank charges	-	16
Insurance	100	-
Consultancy fees	18,400	-
Printing and stationery	136	-
Legal and professional fees	2,975	-
Loss for the year	<u>22,186</u>	<u>591</u>
Losses brought forward from previous period	591	-
Losses carried forward	<u><u>£22,777</u></u>	<u><u>£591</u></u>

Page 5 forms part of these accounts

REGIONAL PROPERTY DEVELOPMENTS LIMITED

BALANCE SHEET, 31ST DECEMBER, 1986

	<u>Notes</u>	<u>1986</u> <u>£</u>	<u>1985</u> <u>£</u>
CURRENT ASSETS			
Partnership capital	2	100	-
Stock of property	1	-	888,618
Payments in advance		100	-
Cash at bank		-	24
		<u>200</u>	<u>888,642</u>
CREDITORS			
Amounts falling due within one year:			
Bank overdraft		3,127	-
Accruals		19,750	29,193
		<u>22,877</u>	<u>29,193</u>
NET CURRENT LIABILITIES (1985 ASSETS)		(22,677)	859,449
CREDITORS			
Amounts falling due after one year	3	-	859,940
NET LIABILITIES		<u>£(22,677)</u>	<u>£(491)</u>
Represented by:			
CAPITAL AND RESERVES			
Called up share capital, allotted issued and fully paid	4	100	100
Profit and loss account		(22,777)	(591)
		<u>£(22,677)</u>	<u>£(491)</u>

Approved by Directors at a Meeting held on 29th July 1987

DIRECTOR *H. Davies*

DIRECTOR *D. J. Ann*

Page 5 forms part of these accounts

REGIONAL PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS, 31ST DECEMBER, 1986

	<u>1986</u> £	<u>1985</u> £
1. ACCOUNTING POLICIES		
Accounting basis		
The accounts are prepared under the historical cost convention.		
Stock of property		
Property held for development was valued at the lower of cost and net realisable value.		
2. PARTNERSHIP CAPITAL		
With effect from 11th February, 1986, the Company became a partner in DA Consultants which had been formed to assist in the development of the Company's property. In accordance with the Partnership Deed, the costs of the property, together with the liabilities relating thereto, have been transferred to the partnership.		
3. CREDITORS		
Amounts falling due after one year:		
Bank loan	-	600,000
Loan from shareholder	-	259,940
	<u>£ -</u>	<u>£859,940</u>
Both loans are repayable on the sale of the development property although the Bank has reserved the right to review these arrangements. The loan from a shareholder is interest free. The bank loan is secured by a fixed and floating charge over the property held for re-development.		
4. SHARE CAPITAL		
Authorised: 100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
5. CONTINGENT LIABILITY		
The Company has the ultimate responsibility for the repayment of the loans and bank overdraft transferred to the partnership. At 31st December, 1986 the amounts outstanding were:		
Bank overdraft	146,387	-
Bank loan	600,000	-
Shareholders' loan	259,940	-
	<u>£1,006,327</u>	<u>£ -</u>