

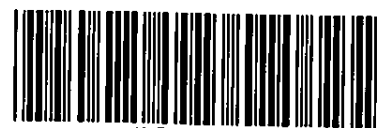
Company Number 3141444

ROUSE KENT DEVELOPMENTS LIMITED

REPORT AND ACCOUNTS

31 DECEMBER 2006

THURSDAY



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30/10/2008

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COMPANIES HOUSE

ROUSE KENT DEVELOPMENTS LIMITED

Registered No 3141444

DIRECTORS

N P Condon
E S Roche
A J Blevins

SECRETARY

R T Williams resigned as Company Secretary during 2007

In the light of S 270 of the Companies Act 2006 the directors have passed a written resolution deleting Article 17 of the articles of association that required the company to have a Company Secretary

REGISTERED OFFICE

11 Tower View
Kings Hill
West Malling
Kent ME19 4RL

ROUSE KENT DEVELOPMENTS LIMITED**REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31 DECEMBER 2006**

The directors present their report and accounts for the year ended 31 December 2006

RESULTS AND DIVIDENDS

The results for the period are set out in the profit and loss account on page 7 The directors paid a dividend of £3,128,800 during the year

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal purpose of the company was to invest in properties in the commercial area at Kings Hill in West Malling, Kent The company sold the two properties that it had held for investment purposes on 4 November 2005 to the Trustees of the Hurricane Unit Trust, a Jersey Property Unit Trust Since then the company has not invested in nor developed any other properties

FUTURE DEVELOPMENTS

It is the intention of the directors to liquidate the company during 2008

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are

N P Condon

E S Roche

A J Blevins

No director had any interest in the share capital of the company

AUDITORS

The current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information The directors are not aware of any relevant audit information of which the auditors are unaware

In preparing this report, the director has taken advantage of special exemptions applicable to small companies conferred by part VII of the Companies Act 1985

By order of the board



E S Roche

Director

30 October 2008

INDEPENDENT AUDITORS' REPORT**TO THE SHAREHOLDERS OF ROUSE KENT DEVELOPMENTS LIMITED**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare accounts for each financial year, which give a true and fair view of the company's state of affairs at the end of the period and of its profit or loss for that period. In preparing those accounts the directors are required to -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities

INDEPENDENT AUDITORS' REPORT**TO THE SHAREHOLDERS OF ROUSE KENT DEVELOPMENTS LIMITED**

We have audited the financial statements of Rouse Kent Developments Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the note of historical cost profits and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with those financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

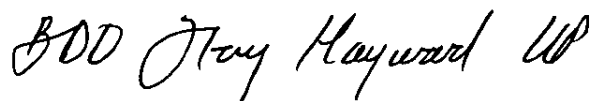
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

INDEPENDENT AUDITORS' REPORT**TO THE SHAREHOLDERS OF ROUSE KENT DEVELOPMENTS LIMITED****Opinion**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors
Gatwick*

30 OCTOBER / / 2008

ROUSE KENT DEVELOPMENTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2006**

	<u>Note</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Turnover	2	-	611,587
Operating expenses		(2,476)	(44,386)
Other operating income		11,980	1,068
OPERATING PROFIT	3	9,504	568,269
Profit on sale of assets		-	896,506
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION, FINANCE AND INVESTMENTS		9,504	1,464,775
Income from investments		-	10,196
Interest payable and similar charges	5	-	(545,209)
Interest receivable		41,633	50,997
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		51,137	980,759
Tax on profit on ordinary activities	6	(12,836)	(712,267)
PROFIT FOR THE YEAR	10	38,301	268,492

All amounts relate to discontinued activities

The profit and loss account contains all the gains and losses recognised in the year and previous year

The notes on page 10 to 15 form part of these financial statements

ROUSE KENT DEVELOPMENTS LIMITED**NOTE OF HISTORICAL COST PROFITS & LOSSES****FOR THE YEAR ENDED 31 DECEMBER 2006**

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Reported profit on ordinary activities before taxation	51,137	980,759
Realisation of property revaluation gains of previous years	-	2,009,636
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>51,137</u>	<u>2,990,395</u>
RETAINED HISTORICAL COST PROFIT FOR THE YEAR AFTER TAXATION	<u>38,301</u>	<u>2,278,128</u>

The notes on pages 10 to 15 form part of these financial statements

ROUSE KENT DEVELOPMENTS LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2006**

	<u>Note</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Current Assets			
Debtors	8	17,741	17,911
Cash at bank and in hand		-	4,233,633
		<hr/>	<hr/>
		-	4,251,544
Creditors: amounts falling due within one year	9	(17,641)	(1,160,945)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		100	3,090,599
		<hr/>	<hr/>
CAPITAL & RESERVES			
Called up share capital	11	100	100
Profit and loss account	11	-	3,090,499
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	11	100	3,090,599
		<hr/>	<hr/>

Approved by the board and approved for issue on 30 October 2008.



E S Roche
Director

The notes on pages 10 to 15 form part of these financial statements

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****1. ACCOUNTING POLICIES****a) BASIS OF ACCOUNTING**

The accounts have been prepared under the historical cost convention except for the revaluation of investment properties and in accordance with applicable accounting standards

b) RENTAL INCOME

Rental income receivable is credited to the profit and loss account on a straight-line basis over the lease term

c) TAXATION

Corporation tax payable is provided on taxable profits at the current rate

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation

In accordance with FRS 19, deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on the sale has been recognised in the financial statements

Deferred tax is measured on a non-discounted basis

d) STATEMENT OF CASHFLOWS

The company has taken the exemption available in Financial Reporting Standard 1 'Cash Flow Statements' not to produce a cash flow statement as the company was entitled to exemption under section 249A(1) of the Companies Act 1985

e) RELATED PARTY TRANSACTIONS

The company has taken the exemption available in Financial Reporting Standard 8 'Related Party Disclosures' not to disclose transactions with entities which are part of the group or investees of the group qualifying as related parties, on the basis that it is a wholly owned subsidiary of Liberty Property Trust whose consolidated financial statements, in which this company is included, are publicly available

f) DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****2. TURNOVER**

Turnover, which is stated net of value added tax, represents rental income from investment properties in the UK.

3. OPERATING PROFIT

This is stated after charging,

	<u>2006</u> £	<u>2005</u> £
Auditors' remuneration	-	4,825

Auditors' remuneration for 2006 has been borne by a fellow group company

4. STAFF COSTS (including directors)

A charge of £2,467 (2005 - £7,574) in respect of salaries and overheads has been made by Rouse Kent Limited, the immediate parent undertaking, which includes the directors' emoluments that it is not possible to identify separately

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2006</u> £	<u>2005</u> £
Bank interest payable	-	414,678
Breakage costs on Cap/Floor agreement	-	45,000
Amortisation of finance cost	-	29,574
Other interest payable	-	55,957
	<u>-</u>	<u>545,209</u>

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<u>2006</u> £	<u>2005</u> £
<u>Current Taxation</u>		
UK corporation tax on profits of the period	15,342	965,668
Adjustments in respect of previous periods	(2,506)	1,183
	<hr/> 12,836	<hr/> 966,851
<u>Deferred Taxation</u>		
Origination and reversal of timing differences	-	(254,584)
	<hr/> 12,836	<hr/> 712,267
Total taxation	<hr/> 12,836	<hr/> 712,267

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)**Factors affecting the tax charge for the period**

	<u>2006</u> £	<u>2005</u> £
Profit on ordinary activities before tax	51,137	980,759
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004 – 30%)	15,342	294,228
Effects of		
Capital allowances in excess of depreciation	-	(18,228)
Tax on gain on properties sold	-	958,620
Income not chargeable to tax	-	(268,952)
Adjustment in respect of previous periods	(2,506)	1,183
	<hr/> 12,836	<hr/> 966,851
Current tax charge for the period	<hr/> 12,836	<hr/> 966,851

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****7. DIVIDENDS**

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Dividends paid of £31,288 per share (2005 - £nil per share)	3,128,800	-

8. DEBTORS

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Corporation tax recoverable	17,741	-
Prepayments and accrued income	-	17,911
	<u>17,741</u>	<u>17,911</u>

9. CREDITORS: amounts falling due within one year

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Amounts owed to group undertakings	17,641	80,555
Amounts owed to related parties	-	565
Corporation tax	-	903,040
Accruals and deferred income	-	176,785
	<u>17,641</u>	<u>1,160,945</u>

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****10. SHARE CAPITAL**

			<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
<u>Authorised</u>				
Ordinary shares of £1 each			100	100
	<u>2006</u> <u>No</u>	<u>2005</u> <u>No</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
<u>Allotted, called up and fully paid</u>				
Ordinary shares of £1 each	100	100	100	100

11. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<u>Share</u> <u>capital</u> <u>£</u>	<u>Revaluation</u> <u>Reserve</u> <u>£</u>	<u>Profit and</u> <u>loss account</u> <u>£</u>	<u>Total</u> <u>shareholders</u> <u>' funds</u> <u>£</u>
At 1 January 2005	100	2,009,636	812,371	2,822,107
Transfer of realised profit on disposal of investment properties	-	(2,009,636)	2,009,636	-
Profit for the year	-	-	268,492	268,492
At 31 December 2005	100	-	3,090,499	3,090,599
Profit for the year	-	-	38,301	38,301
Dividends Paid	-	-	(3,128,800)	(3,128,800)
At 31 December 2006	100	-	-	100

ROUSE KENT DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2006****12. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY**

In September 2006 the shares of the company were sold to Liberty Property Trust UK Limited

The ultimate controlling party is Liberty Property Trust, a Maryland (USA) real estate investment trust, whose registered address is 500 Chesterfield Parkway, Malvern, Pennsylvania 19355, United States of America

Liberty Property Trust is the smallest and largest group in which these financial statements are consolidated