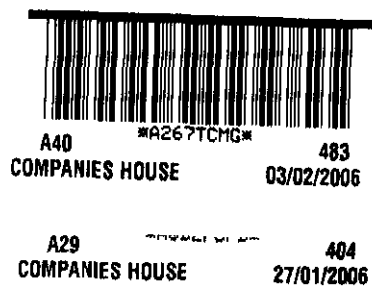


3693737

NELSON
RO PROPERTY HOLDINGS LIMITED
(formerly Nelson Property Holdings Limited)

Report and Accounts

31 March 2005



Registered No: 3693737

DIRECTORS

R G StJ Rowlandson FCA
S M Younghusband FCA
R A Hambidge BA MRICS

SECRETARY

The Finance & Industrial Trust Limited
Graham House
7 Wylllyotts Place
Potters Bar
Herts
EN6 2JD

AUDITORS

Finley & Partners
Chartered Accountants
Tubs Hill House
London Road
Sevenoaks
Kent
TN13 1BL

REGISTERED OFFICE

Graham House
7 Wylllyotts Place
Potters Bar
Hertfordshire
EN6 2JD

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the period to 31 March 2005.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is that of a holding company of a property investment group. The results for the period are set out on pages 6 to 11 and are considered by the directors to be satisfactory.

DIVIDENDS

The directors recommend the payment of a dividend of £1,022,000 (2004:£880,000).

DIRECTORS

The directors who held office during the period were as follows:

Richard Graham St John Rowlandson (appointed 16 March 2005)

Roger Alan Hambidge (appointed 16 March 2005)

Susan Margaret Younghusband (appointed 16 March 2005)

N P Budd (resigned 16 March 2005)

T W Budd (resigned 16 March 2005)

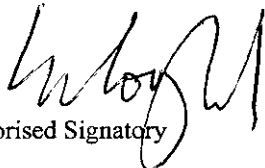
R J Locker (resigned 16 March 2005)

C L Walker-Robson (resigned 16 March 2005)

AUDITORS

A resolution to re-appoint Finley & Partners as auditors to the company will be put to the members at the forthcoming Annual General Meeting.

By order of the Board
The Finance & Industrial Trust Limited
Secretary



Authorised Signatory

Date: 17 January 2006.

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS
For the period ended 31 March 2005

Company law requires the directors to prepare accounts for each financial period, which give a true and fair view of the state of affairs of the company 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 presume 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 and other irregularities.

INDEPENDENT AUDITORS' REPORT

To the members of ~~RE~~ Property Holdings Limited

Nelson

We have audited the company's accounts for the period to 31 March 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 17. These accounts have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, 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 with the company 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.

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 circumstances of the company, 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 affairs of the company as at 31 March 2005 and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor

17 JANUARY 2006

PROFIT AND LOSS ACCOUNT
 For the period ended 31 March 2005

	2005 £	Period ended 7 April 2004 £
DIVIDENDS RECEIVABLE	1,022,000	1,090,000
GROSS PROFIT	1,022,000	1,090,000
Administration expenses	-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,022,000	1,090,000
Tax on profit on ordinary activities	-	4,508
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	1,022,000	1,094,508
Dividend payable	(1,022,000)	(880,000)
RETAINED PROFIT FOR THE PERIOD	-	214,508

All results arose from continuing operations.

The accompanying notes are an integral part of this profit and loss account.

BALANCE SHEET
 At 31 March 2005

	<i>Notes</i>	<i>2005 £</i>	<i>7 April 2004 £</i>
FIXED ASSETS			
Investment in subsidiaries	3	11	11
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	4	9,973,832	8,951,832
CREDITORS: Amounts falling due within one year	5	(2,261,287)	(1,239,287)
		<hr/>	<hr/>
NET CURRENT ASSETS		7,712,545	7,712,545
CREDITORS: Amounts falling due after more than one year		(7,207,337)	(7,207,337)
		<hr/>	<hr/>
NET ASSETS		505,219	505,219
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	12	505,119	505,119
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	11	505,219	505,219
		<hr/>	<hr/>

Approved by the Board on 17 January 2006.

Director

NOTES TO THE ACCOUNTS
At 31 March 2005

1. ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt from the requirement of FRS1 (revised) to produce a cash flow statement since it is a small company, as defined by the Companies Act 1985, Sections 247-249.

Consolidation

The company and its subsidiaries comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Taxation

Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted by the balance sheet date.

2. STAFF COSTS

The average monthly number of employees (including directors) was:

	2005 Number	2004 Number
Directors	<u>3</u>	<u>4</u>

The directors received no remuneration for their services as directors of the company (2004: £Nil).

NOTES TO THE ACCOUNTS
At 31 March 2005

3. TANGIBLE FIXED ASSETS
Investments

	2005 £	7 April 2004 £
Shares in subsidiary undertakings at cost (all £1 ordinary shares)	11	11

The company holds 100% of the issued share capital of the following subsidiary undertakings, all incorporated in England and Wales. Each subsidiary's principal activity is that of property investment and accounts have been prepared to 31 March 2005.

	Capital & Reserves at 31 March 2005	Profit for the period ended 31 March 2005
RO Benfleet Limited (formerly Nelson Benfleet Limited)	692,506	3,594
RO Colchester Limited (formerly Nelson Colchester Limited)	304,853	6,407
RO Droitwich Limited (formerly Nelson Nottingham Limited)	17,826	2,674
RO Fleet Limited (formerly Nelson Fleet Limited)	535,100	3,800
RO Hounslow Limited (formerly Nelson Hounslow Limited)	309,909	1,301
RO Isleworth Limited (formerly Nelson Isleworth Limited)	1,050,175	250
RO Jarrow Limited (formerly Nelson Jarrow Limited)	920,692	416
RO Spennymoor Limited (formerly Nelson Spennymoor Limited)	2,804,660	540
RO Westerham Limited (formerly Nelson Westerham Limited)	604,469	3,145

4. DEBTORS

	2005 £	7 April 2004 £
Amount due from group undertakings	8,814,882	7,724,882
Dividends receivable	1,022,000	1,090,000
Other debtors	136,950	136,950
	<u>9,973,832</u>	<u>8,951,832</u>

NOTES TO THE ACCOUNTS

At 31 March 2005

5. CREDITORS

Amounts falling due within one year

	2005 £	7 April 2004 £
Amounts due to group undertakings	930,689	49,988
Other taxation	-	697
Other creditors	308,598	308,602
Dividend payable	1,022,000	880,000
	<u>1,239,287</u>	<u>359,287</u>

6. CALLED UP SHARE CAPITAL

	2005 £	7 April 2004 £
Authorised 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

7. STATEMENT OF RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2005 £	Period ended 7 April 2004 £
Profit for the period	1,022,000	1,094,508
Dividends paid	(1,022,000)	(880,000)
Opening shareholders funds	<u>505,219</u>	<u>290,711</u>
Closing shareholders' funds	<u>505,219</u>	<u>505,219</u>

NOTES TO THE ACCOUNTS

At 31 March 2005

8. PROFIT AND LOSS ACCOUNT

	2005 £	Period ended 7 April 2004 £
Retained profit brought forward	505,119	290,611
Profit for the period	-	214,508
At 31 March	505,119	505,119

9. INFORMATION REGARDING THE DIRECTORS SHARE INTERESTS

The interests of the directors in the shareholdings of the group are disclosed in the parent company accounts.

10. ULTIMATE CONTROLLING PARTY ^{Nelson}

The company's immediate parent company is ~~RO~~ Investments Limited, a company incorporated in England and Wales, and its ultimate parent company is RO Properties Limited, a company incorporated in England and Wales.

RO Properties Limited is the parent company of the largest and smallest group of which the company is a member for which consolidated accounts are prepared.

11. CAPITAL COMMITMENTS

	2005 £	2004 £
Contracted for but not provided	Nil	Nil

12. POST BALANCE SHEET EVENTS

There has been no event since the balance sheet date that could materially affect the state of affairs of the company as at 31 March 2005 or that requires disclosure.