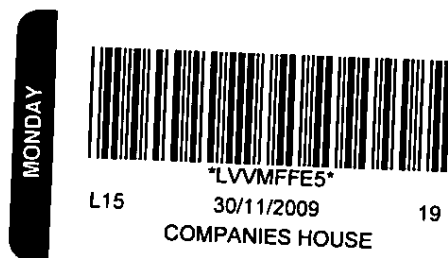


HILLFORD CONSTRUCTION V LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2009



HILLFORD CONSTRUCTION V LIMITED

COMPANY INFORMATION

Directors

A J Josse
M A Pretty
D F Wellstead
P S Wellstead

Secretary

P S Wellstead

Company number

05549875

Registered office

The Estate Office
Lintzford Road
Lintzford
Rowlands Gill
Tyne and Wear
NE39 1NB

Auditors

HLB Vantis Audit plc
66 Wigmore Street
London
W1U 2SB

HILLFORD CONSTRUCTION V LIMITED

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HILLFORD CONSTRUCTION V LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 5 APRIL 2009

The directors present their report and financial statements for the year ended 5 April 2009.

Principal activities and review of the business

The principal activity of the company is that of a property development company.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 6 April 2008:

A J Josse
M A Pretty
D F Wellstead
P S Wellstead

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

HILLFORD CONSTRUCTION V LIMITED

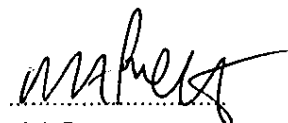
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2009

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M A Pretty

Director 26/11/09

HILLFORD CONSTRUCTION V LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HILLFORD CONSTRUCTION V LIMITED

We have audited the financial statements of Hillford Construction V Limited for the year ended 5 April 2009 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. 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 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 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 explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 5 April 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HILLFORD CONSTRUCTION V LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HILLFORD CONSTRUCTION V LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Sarf Malik (Senior Statutory Auditor)
for and on behalf of HLB Vantis Audit plc

27 November 2009
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Chartered Accountants
Statutory Auditor

66 Wigmore Street
London
W1U 2SB

HILLFORD CONSTRUCTION V LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2009

	Notes	2009 £	2008 £
Turnover	2	8,283	3,160,805
Cost of sales		(11,942)	(3,160,805)
Gross loss		(3,659)	-
Administrative expenses		(3,391)	(58,400)
Operating loss	3	(7,050)	(58,400)
Other interest receivable and similar income	4	3,192	56,264
Loss on ordinary activities before taxation		(3,858)	(2,136)
Tax on loss on ordinary activities	5	-	-
Loss for the year	9	(3,858)	(2,136)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

HILLFORD CONSTRUCTION V LIMITED

BALANCE SHEET

AS AT 5 APRIL 2009

	Notes	2009 £	£	2008 £	£
Current assets					
Debtors	6	227		19,849	
Cash at bank and in hand		60,674		131,868	
		<u>60,901</u>		<u>151,717</u>	
Creditors: amounts falling due within one year	7	<u>(68,182)</u>		<u>(155,140)</u>	
Total assets less current liabilities			<u>(7,281)</u>		<u>(3,423)</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		<u>(7,283)</u>		<u>(3,425)</u>
Shareholders' funds	10		<u>(7,281)</u>		<u>(3,423)</u>

Approved by the Board and authorised for issue on 26/11/09


M A Pretty
Director

Company Registration No. 05549875

HILLFORD CONSTRUCTION V LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2009

	£	2009 £	£	2008 £
Net cash outflow from operating activities		(74,666)		(3,117,536)
Returns on investments and servicing of finance				
Interest received	3,155		54,796	
Net cash inflow for returns on investments and servicing of finance		3,155		54,796
Net cash outflow before management of liquid resources and financing		(71,511)		(3,062,740)
Decrease in cash in the year		(71,511)		(3,062,740)

HILLFORD CONSTRUCTION V LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2009

1	Reconciliation of operating loss to net cash outflow from operating activities	2009		2008	
		£		£	
	Operating loss	(7,050)		(58,400)	
	Decrease in debtors	19,659		3,196,218	
	Decrease in creditors within one year	(87,275)		(6,255,354)	
	Net cash outflow from operating activities	(74,666)		(3,117,536)	
2	Analysis of net funds	6 April 2008	Cash flow	Other non-cash changes	5 April 2009
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	131,868	(71,194)	-	60,674
	Bank overdrafts	-	(317)	-	(317)
		131,868	(71,511)	-	60,357
	Net funds	131,868	(71,511)	-	60,357
3	Reconciliation of net cash flow to movement in net funds	2009		2008	
		£		£	
	Decrease in cash in the year	(71,511)		(3,062,740)	
	Movement in net funds in the year	(71,511)		(3,062,740)	
	Opening net funds	131,868		3,194,608	
	Closing net funds	60,357		131,868	

HILLFORD CONSTRUCTION V LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract. Losses on long term contracts are recognised immediately in full.

1.4 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss

2009

2008

£

£

Operating loss is stated after charging:

Fees payable to the company's auditor for the audit of the company's annual accounts

2,000

2,000

Accountancy

1,000

1,000

4 Investment income

2009

2008

£

£

Bank interest

3,192

56,264

3,192

56,264

HILLFORD CONSTRUCTION V LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2009

5	Taxation	2009 £	2008 £
	Current tax charge	-	-
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(3,858)	(2,136)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2008 - 21.00%)	(810)	(449)
	Effects of:		
	Tax losses carried forward	378	449
	Group loss relief surrendered	432	-
		810	449
	Current tax charge	-	-
	The company has estimated losses of £ 5,200 (2008 - £ 3,400) available for carry forward against future trading profits.		
6	Debtors	2009 £	2008 £
	Other debtors	190	6,439
	Prepayments and accrued income	37	13,410
		227	19,849
7	Creditors: amounts falling due within one year	2009 £	2008 £
	Bank loans and overdrafts	317	-
	Trade creditors	61,284	104,833
	Other creditors	-	36,024
	Accruals and deferred income	6,581	14,283
		68,182	155,140

HILLFORD CONSTRUCTION V LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2009

8	Share capital	2009	2008
		£	£
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
9 Statement of movements on profit and loss account			Profit and loss account £
	Balance at 6 April 2008		(3,425)
	Loss for the year		(3,858)
	Balance at 5 April 2009		(7,283)
10 Reconciliation of movements in shareholders' funds		2009	2008
		£	£
	Loss for the financial year	(3,858)	(2,136)
	Opening shareholders' funds	(3,423)	(1,287)
	Closing shareholders' funds	(7,281)	(3,423)

11 Employees

Number of employees

There were no employees during the year apart from the directors.

12 Control

The immediate and ultimate parent company is Regent Capital plc.

HILLFORD CONSTRUCTION V LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2009

13 Related party transactions

During 2007 the company invoiced Hillford Dawdon V Development Partners LLP ("the LLP") £3,866,987 under a construction contract which covered the entire period of construction of a property. Turnover of £8,283 (2008: £3,160,805) has been recognised in the year in accordance with the stage of completion. During the year the company paid legal fees of £nil (2008: £55,000) to the LLP.

At the year end £190 (2008: £36,024 owed to) was owed by the LLP, a company whose members are directors of Hillford Construction V Limited.