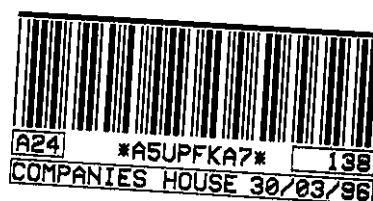


REGIONAL PROPERTY DEVELOPMENTS LIMITED**DIRECTORS' REPORT AND ACCOUNTS****YEAR ENDED 31ST DECEMBER 1995****Company Number: 01862433**

REGIONAL PROPERTY DEVELOPMENTS LIMITED

Directors: J.D. ARMITAGE
H. DAVIES

DIRECTORS' REPORT

The directors submit their report and the accounts for the year ended 31st December 1995.

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial year. In doing so the directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- 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 maintaining proper accounting records that 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.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company continues to trade as a property and development company.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £50,450 (1994 loss £41,510).

The directors do not recommend the payment of a dividend and therefore the balance on the profit and loss account has been carried forward.

The directors consider the state of affairs of the company to be satisfactory.

The directors do not consider that there have been any material events since the year end which will affect the company.

REGIONAL PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS AND INTERESTS IN SHARES

The names of the present directors are given at the head of this report on page 1.

The directors did not have any beneficial interests in the shares of the company as defined by the Companies Act 1985.

AUDITORS

A resolution will be proposed at the annual general meeting to re-appoint Moores Rowland as auditors to the company for the ensuing year.

By order of the board



H Davies
Secretary

Registered office:

Clifford's Inn
Fetter Lane
London
EC4A 1AS

28th March 1996

AUDITORS' REPORT TO THE MEMBERS OF
REGIONAL PROPERTY DEVELOPMENTS LIMITED

We have audited the accounts on pages 4 to 8.

Respective responsibilities of directors and auditors

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

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 company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations that 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 the company's affairs as at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MOORES ROWLAND
Chartered Accountants
Registered Auditors

7 St Botolph's Road
Sevenoaks
Kent
TN13 3AJ

28th March 1996

REGIONAL PROPERTY DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31st December 1995

	Note	1995 £	1994 £
SHARE OF PARTNERSHIP PROFITS	2	50,511	33,003
Administrative expenses		2,416	4,909
OPERATING PROFIT		<u>48,095</u>	<u>28,094</u>
Bank interest receivable	3	2,405	3,211
		<u>50,500</u>	<u>31,305</u>
Interest payable	4	—	72,815
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	50,500	(41,510)
Tax on profit/(loss) on ordinary activities	6	50	—
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>50,450</u>	<u>(41,510)</u>
Retained (deficit)/profit brought forward		(10,971)	30,539
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD		<u>39,479</u>	<u>(10,971)</u>

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the profit or loss for the year.

Pages 6 to 8 form part of these accounts.

REGIONAL PROPERTY DEVELOPMENTS LIMITED

BALANCE SHEET

As at 31st December 1995

	Note	£	1995 £	£	1994 £
CURRENT ASSETS					
Debtors - other		7,796		—	
Cash at bank and in hand		35,313		58,033	
		<u>43,109</u>		<u>58,033</u>	
CREDITORS - amounts falling due within one year	7	3,530		68,904	
NET CURRENT ASSETS/(LIABILITIES)			<u>39,579</u>	<u>(10,871)</u>	
TOTAL NET ASSETS/(LIABILITIES)			<u><u>39,579</u></u>	<u><u>(10,871)</u></u>	
CAPITAL AND RESERVES					
Called up share capital	8		100	100	
Profit and loss account			39,479	(10,971)	
			<u>39,579</u>	<u>(10,871)</u>	

Approved by the board at a meeting on 25 March 1996
and signed on their behalf by

J. D. Armitage
J. D. Armitage

Pages 6 to 8 form part of these accounts.

REGIONAL PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Accounting convention

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

Deferred taxation

Deferred taxation is calculated using the liability method and provision is made to the extent that it is probable that such tax will become payable in the foreseeable future.

2. SHARE OF PARTNERSHIP PROFITS

The company is a partner in a partnership. The company's share of partnership profits incorporated in the accounts are for the 12 month period to 31st August 1995, being the partnership period end.

3. INVESTMENT INCOME

	1995 £	1994 £
Bank interest receivable	2,368	3,211
Other interest receivable	37	-
	<u>2,405</u>	<u>3,211</u>

4. INTEREST PAYABLE

	1995 £	1994 £
On loans wholly repayable within one year	-	72,815
	<u>-</u>	<u>72,815</u>

5. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit/(loss) on ordinary activities before taxation is stated after charging:

	1995 £	1994 £
Auditors' remuneration	940	940
	<u>940</u>	<u>940</u>

REGIONAL PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	1995	1994
	£	£
Based on the profit/(loss) for the year:		
Corporation tax at 25% (1994 25%)	1,650	-
Taxation under/over provided in prior years:		
Corporation tax	(1,600)	-
	<u>50</u>	<u>-</u>

7. CREDITORS - amounts falling due within one year

	1995	1994
	£	£
Taxation and social security	1,650	-
Other creditors	-	67,024
Accruals and deferred income	1,880	1,880
	<u>3,530</u>	<u>68,904</u>

8. CALLED UP SHARE CAPITAL

	1995	1994
	£	£
Authorised, allotted and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995	1994
	£	£
Profit/(loss) for the financial year	50,450	(41,510)
Net addition to / (deduction from) shareholders funds	<u>50,450</u>	<u>(41,510)</u>
Opening shareholders' funds	(10,871)	30,639
Closing shareholders' funds	<u>39,579</u>	<u>(10,871)</u>

REGIONAL PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

10. CONTINGENT LIABILITY

Due to the losses arising during the year no provision has been made for corporation tax due. However, if the company's share of the RCA Consultants partnership's results to 31st December 1995 is a profit, there may be a corporation tax charge for the year. The RCA Consultants partnership results are not likely to be known until November 1996 at the earliest.

11. TRANSACTIONS WITH DIRECTORS

Mr J D Armitage is a partner in J D Armitage & Associates. J D Armitage & Associates is a partner in the RCA Consultants partnership of which Regional Property Developments limited is a partner.