

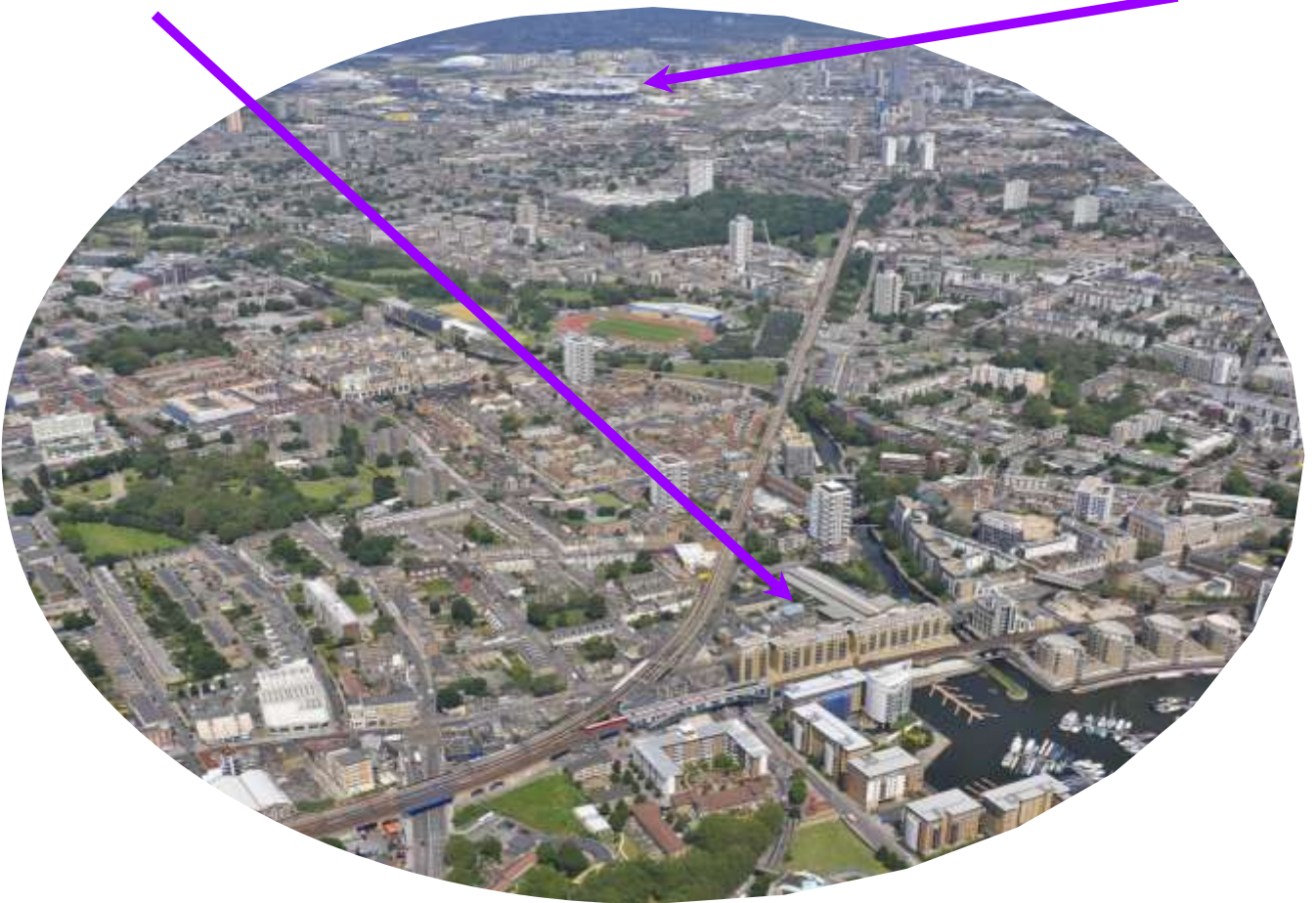
The Redab Times

Annual Report

1st June 2011 – 31st May 2012

657-663 Commercial Road

Olympic Stadium



A "Bird's Eye" view of East London

Issued 30th July 2012

Managing Director's Statement

This business year from 1st June 2011 to 31st May 2012 has been a hectic one with an almost too small organisation.



CG Pettersson on site, Commercial Road

Listed Redab Properties Plc shares

Since early June 2012 it has been possible to trade your Redab Properties Plc shares on the Leox www.inoff.nu list. We have had other business leads from the site as well.

Funding

The Company has worked hard trying to solve funding in a financial market which is more or less non-existent. We have overcome this by securing private funding for the Commercial Road project. We have also reduced the bank funding to approximately 9% of the total gross asset value. In the period up to Summer 2007 we always had around 60% bank funding.

Bank loan to total value



Dismantling of the East London Portfolio

After becoming the 100% owner of Redab Residential Ltd a sell off has started, and we will hopefully soon be left with only the six apartments which are let to the local council, Tower Hamlets, until Autumn 2013. These six apartments were valued by McBryer Beg to £1,185,000.

Our long –term goal continues, this is to create LONG TERM SHARE VALUE

5 new apartments at Jubilee Heights, Kilburn

Planning consent was granted in an appeal. We plan to start on site October 2012 subject to funding being resolved. The valuer Cluttons LLP has analysed the project for bank funding; in the current situation the land value is £530,000 plus a surplus from the development.

Commercial Road project

With funding from Parkerhouse Investment AB this project is now well under way. Our target is for practical completion mid-May 2013. A valuation from August 2011 was updated May 2012 with a result of +8%.

Figures

We are very happy to present that the Net Asset Value has returned to over £4M.

Profit for the year was £135,165. It is our first profit since 2008.

Bank funding of 9.3% means the Company is asset rich but low on cash depending on a very low gearing.

Forecast 31st May 2013

Hopefully, on going projects will continue as stated in an analysis made by external valuers; it may be possible for a +10% lift in Net Asset Value, to 50 pence at share value.

Saving the best till last

We very much appreciate the fantastic support from our Shareholders, so many accepted the offer Spring / Autumn 2011 to stay on.

All of the above means that we are back to generate value for shareholders long term, together with a yearly payment of 7% interest on the subordinated loan.

March 2011 the share value was 42.2 pence, 31st May 2012 45.3 pence +7.35%.

New issue shares 2011 to a price of 30 pence 31st May 2012 45.3 pence +51%.

Valuations

For this year's Annual Report we have let bank approved valuers carry out independent valuations of properties / assets during May 2012.

Previously, we have used bank valuations carried out by the bank lending us money **and at draw down (at the time when bank loans were available!) or Director's** valuations. As up to the 2nd half of 2007 the market had moved steadily upwards. During 2008 - 2011 values went down but it was difficult to get statistics as very few sales went through. As reported many times over the past few years, bank funding hasn't been available (approx. 9% for Redab Properties Plc). The Company needs to be prepared to discuss private funding when the chance occurs. Therefore, we like to be prepared, and this way we can also prove that our confidence in bookkeeping assets is real.



*East London Portfolio £1,185,000
(6 apartments let to Tower Hamlets)*

106 Hind Grove — Under offer. Contract issued £222,500. Our target is to complete the sale August 2012.

13 Theseus House — in verbal discussions to sell back to the freeholder as part of a major regeneration program which has been approved and will commence 2013 and continue to 2019.



*5 New Apartments, forecasted value
compared to normal standard for Kilburn
area £2,430,000*



*6 Apartments and freehold with ground rent
£2,685,000 at Kilburn*



*657-663 Commercial Road,
forecasted value at completion £4,667,800*

The market has developed in a positive way. The residential market has had an uplift in values and continued uplift is forecast.

Of course, the London market has been affected by the US being downgraded from its AAA rating. Politically the Eurozone has been through a hard time with countries and banks getting in to positions they can't handle by themselves.

London has, in the eyes of a lot of investors become a safe haven during these tough times that many Europeans are trying to buy residential in Central London as well as invest in a currency outside the Euro.

London property surges as cash flows out of troubled nations

■ BY TIM WALLACE

INVESTORS fleeing the Eurozone crisis have helped push prime London property prices even higher, according to figures out today from Knight Frank, although the new higher rate of stamp duty on houses above £2m has slowed the pace.

Prices rose 0.7 per cent in May, taking the annual rise to 10.7 per cent and leaving prices 47.3 per cent above their post-credit crunch low in March 2009.

Prices in the sub-£2m bracket rose 2.7 per cent, while those above £2m increased by 1.6 per cent in the two

months since the seven per cent rate of stamp duty was introduced.

The upward trend is set to continue, according to Knight Frank, as uncertainty in the Eurozone grows.

"While it looks very much that the surge in Greek buyers has fallen off sharply since the beginning of the year – those who had the funds to buy have done so – we are now seeing a noticeable up-tick in interest from France, Italy, Spain and even German-based purchasers looking at the prime London market," said head of residential research Liam Bailey.

City AM 6th June 2012

Office demand shows glimpse of a recovery

■ BY KASMIRA JEFFORD

DEMAND for office space in central London has risen to its highest level since 2009, as a pick up in occupier interest began to catch up with the continuing shortage of supply.

Figures from property consultancy Jones Lang LaSalle (JLL) show that registered demand from potential tenants increased by over 12 per cent over the past 12 months with total demand now at 12.6m square feet.

"We are starting to see signs of life across central London," Dan Burn, head of City agency said, adding that this was driven largely by expansion in the technology, media and telecoms sector.

Demand, however, still remains five per cent below the 10-year average, JLL said in its quarterly market report.

Economic uncertainty and the ongoing Eurozone crisis means companies have been reluctant to move offices and commit to new space, causing leasing volumes to remain low.

But while take-up of new office space is expected to remain subdued in the short-term, JLL said businesses were starting to take a more proactive stance and a return in confidence.

"We are seeing a number of requirements which are quietly in discussions on existing and future product which could lead to an increase in activity in the second half of 2012", Burn said.

"The combination of the erosion of the existing supply and the occupier interest being shown in buildings being delivered into 2014, such as 20 Fenchurch street, will further restrict the supply pipeline and consequently the options available for the pent up demand."

With no new committed construction for delivery beyond 2015, JLL said it expects a rise in rental growth from 2013 and a pick up in speculative building projects.

City AM 6th June 2012

The London Property Market

Asian buyers key for UK housebuilders

REAL ESTATE
News analysis

Developers look at Hong Kong and Singapore to sell properties, writes Gill Plimmer

Financial Times

2nd June 2012

Qatar backs Caring in Grosvenor Sq

Richard Caring and a Qatari fund are close to agreeing a £560m package to develop a Mayfair residential scheme that could be worth more than £1bn.

Caring has brought in a Qatari consortium, backed by the State of Qatar and managed by Amanda Staveley's PCP Capital Partners, to assist in the refinancing and development of 20 Grosvenor Square. The former London home of the US Navy has planning permission for a 31-flat, 178,000 sq ft scheme.

Caring and the Qatar fund have agreed to buy from NAMA (Ireland's National Asset Management Agency)

the £230m loan that funded his £250m purchase of the property in 2007 in an all-cash deal. This cash will be the equity put into the deal by the consortium.

The cost of redeveloping the office property into flats will be funded by a £330m development finance loan that has been in place for more than a year while the equity was negotiated.

Deutsche Bank is the main debt provider and Sir Robert McAlpine has been appointed as contractor.

Mayfair residential experts said the flats could sell for between £4,600 and £6,000/sq ft, valuing the scheme at £820m-£1.1bn.

Property Week Magazine

EVENING STANDARD TUESDAY 12 JUNE 2012

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News



Feet first: pedestrians will be given priority along a continuous shopping boulevard

Midtown revamp to create 'premier cultural district'

Jonathan Prynne
Consumer Business Editor

LONDON'S "Midtown" between the West End and the City will be transformed into the capital's most vibrant cultural district under a masterplan unveiled today.

Urban designer and architect Sir Terry Farrell said the vision will link Oxford Street in the west and Cheapside in the east to create a continuous shopping boulevard across central London.

The plans would start with a makeover of the "dysfunctional" Holborn and New Oxford Street artery, scrapping the one-way gyratories that have turned them into inner city motorways, introducing cycle routes and giving pedestrians priority at increased numbers of crossing points.

The route once taken by condemned prisoners on their way from Newgate in the City to Tyburn at Marble Arch would be "greened" with a tree-planting programme, and feature regular "street events" and public art installations.

There would be a focus on the road crossings at Holborn, where the station is used by 200,000 passengers a day. The vision, unveiled at a conference at New London Architecture in Bloomsbury, is aimed at turning Midtown into London's premier media, cultural and new technology hub, said Sir Terry. He compared it to the revival of New York's East Village.

The area is known as a seat of learning because it is the location for LSE and University College London as well as the



Masterplan: the scheme is the vision of urban designer and architect Sir Terry Farrell

British Museum and the Inns of Court. However, it has struggled to attract shoppers and nightlife because it is viewed as hostile to pedestrians. The arrival of Crossrail in 2017 will mean the area will be "bookended" by the major hubs at Tottenham Court Road and Farringdon.

Midtown developments already planned or under way include the St Giles piazza at Centre Point and a £200 million convention centre at the former Central St Martins site in Holborn.

Tass Mavrogordato, chief executive of InMidtown, which represents 570 businesses in the area, said they wanted to drive more private sector investment to ensure the district was returned to its former glory.

Mayor Boris Johnson said: "With Crossrail set to have a massive impact, now is the time to set the right vision and secure a bright future for this business and cultural centre." The Midtown name is used by the business community as an umbrella for the Holborn, St Giles, Bloomsbury and the Inns of Court.

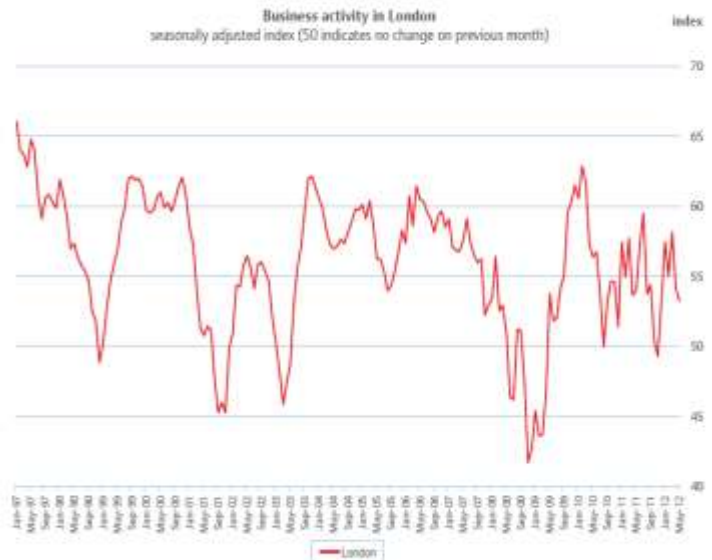
The London Property Market

London's business activity increasing

- London firms increased their output of goods and services in May 2012.
- The Purchasing Managers' Index (PMI) of business activity recorded 53.3 in May 2012 compared to 54.2 in April 2012.
- A rate of above 50 on the index indicates an increase in business activity from the previous month.

Latest release: June 2012

Next release: July 2012



Businesses report higher employment in May

- The PMI shows that the level of employment in London firms increased in May 2012.
- The PMI for the level of employment was 50.3 in May 2012 compared to 50.4 in April 2012.
- A rate of above 50 on the index indicates an increase in the level of employment from the previous month.

Latest release: June 2012

Next release: July 2012



The London Property Market

Surveyors report that house prices are rising in London

- The RICS survey shows a positive net balance of 30 for London house prices over the three months to May 2012.
- Surveyors reported a negative net house price balance for England and Wales of -16 over the three months to May 2012.
- London's net house price balance is higher than that of England and Wales.

Latest release: June 2012

Next release: July 2012



Use of the latest technology

At Kilburn, we have installed solar panels to generate electricity as well as heating the water in the swimming pool.

We tested the U-Values in the site after completion as well as the buildings air tightness. The results were superb

Commercial Road SAP calculation results for Part L 2006			
Flat #	SAP results		% Improvement
	TER	DER	
1	31.45	26.62	15.4%
2	28.97	25.6	11.6%
3	30.87	25.89	16.1%
8	30.63	26.27	14.2%
9	28.64	25.57	10.7%
10	30.32	25.72	15.2%
14	27.53	24.08	12.5%
15	25.96	23.32	10.2%
16	28.56	22.24	22.1%

Table 1: SAP calculation results

Our design for Commercial Road includes triple glazed windows and balcony doors and are a great **improvement on the “standard”** requirement. Unfortunately due to the local councils planning department we were not allowed to use solar panels on this project.

Presentation of current investments

Jubilee Heights & Cedar Lodge, Redab Kilburn Ltd

Completed Flats and Ground Rent				
Flat No.	Detail	Sq. ft.	Cluttons Valuation	Current Rental income /month
3	2 bed, 2 bath	1056	£425,000	£1,825
4	2 bed, 2 bath	1051	£425,000	£1,680
6	1 bed, 1 bath	650	£290,000	£1,367
7	1 bed, 1 bath	650	£290,000	£1,425
8	1 bed, 1 bath	650	£290,000	£1,408
711	1 bed, 1 bath	570	£280,000	£1,300
Sub-total			£2,000,000	£9,005
Current market value as per Cluttons valuation May 2012 including Ground rent			£2,685,000	Annual Income from Rent and ground rent £144,910

The rents have improved on last year by 3%.

Project analyses for 5 new apartments

Purchasers in prime central London favour a turnkey apartment with a high finish and specification.

As the location is just outside what is classed as Prime Central London the new 5 apartments will have high standard of finishes and four of the five apartments will have three bedroom and three bathrooms.

Floor finish: Living room and kitchen - granite, bathroom- porcelain tiles (including walls), bedroom - carpet.

Kitchens: Fully fitted with granite worktop and cupboards in powder coated colour.

Walls and ceiling: Decorated off white.

Internal climate: Air conditioning & underfloor heating.

Presentation of current investments

Jubilee Heights & Cedar Lodge, Redab Kilburn Ltd

The valuation which was made under the assumption of a more “standard” finish came to £2,430,000 while we believe closer to £3,000,000 is possible as we have sold one 3 bedroom apartment for £580,000.

	Standard finish valuation	High Specification Redab valuation
Income from sale	+£2,430,000	+£3,000,000
Latest cost plan	-£1,300,000	-£1,520,000
Professional team	-£140,000	-£165,000
Fee to local council (106 Agreement)	-£142,000	-£142,000
Marketing	-£10,000	-£50,000
Funding 5% cost of all money used up to practical completion	-£40,000	-£60,000
Value for land (May 2012)	-£530,000	-£530,000
Abortive planning fee for planning refusal	-£186,500	-£186,500
Potential development result on top of	+£81,500.	+£346,500



Presentation of current investments

Jubilee Heights & Cedar Lodge, Redab Kilburn Ltd

We have reached an agreement with Bristol & West so that they will accept an early repayment of the five year loan which expires February 2014. As of 31st May 2012 the net outstanding was £725,000 this will be repaid with potential sales.

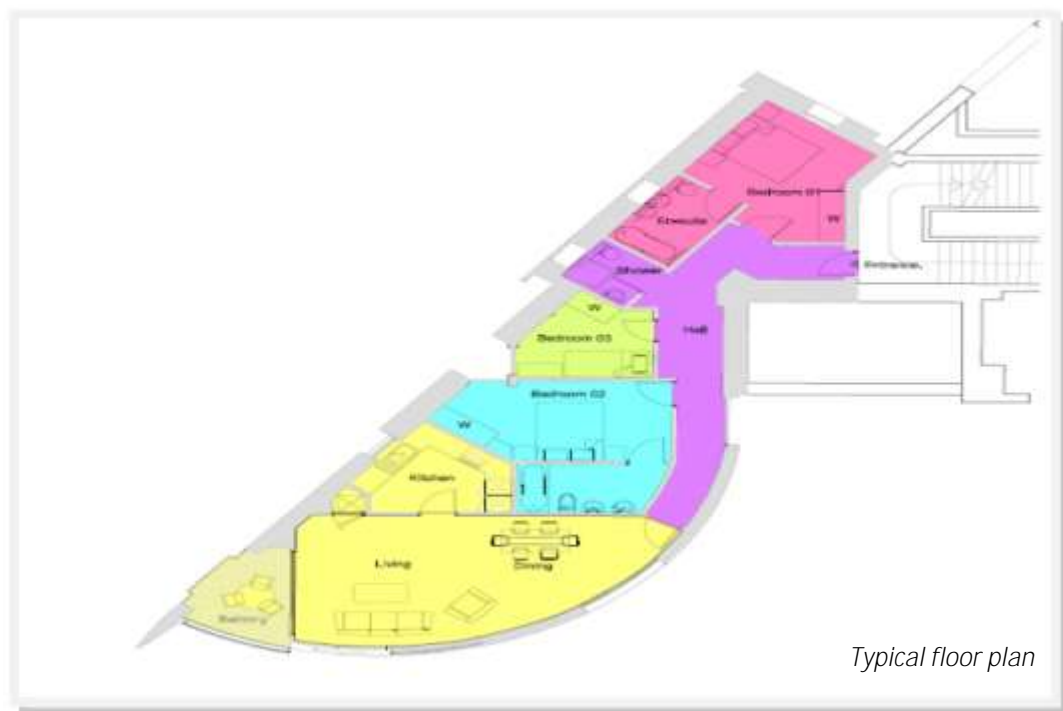
Funding of new apartments

By selling two more apartments in East London Portfolio we will cover financing of Commercial Road development, together with private funding.

Funding for the five new apartments at Jubilee Heights, development costs including professional fees and 106 Agreement to pay Brent Council, needs to be solved before final project design and development can start.

Interest from potential purchasers in the apartments seems good in the current market.

Presales do not fit for funding as purchasers cant get the long lease granted until the practical completion is granted which means we cant get any funds to use until after completion of lease.



Presentation of current investments

657-663 Commercial Road, Redab Commercial Ltd



Canary Wharf

The City of London

657-663 Commercial Road



Presentation of current investments

657-663 Commercial Road, Redab Commercial Ltd

The final cost estimate for the Commercial Road development by our QS and Main Contractor by 4th July 2012 was £2,950,000 excluding land value.

The three alternatives which we are working on for this project are:

- 1) To sell all the 18 apartments as one unit for future management for letting.
- 2) To sell the apartments one by one.
- 3) To keep them, mortgage the apartments and pay back the funder by October 2013 as agreed. Then purchase furniture and operate as apartments with services for letting on a minimum of 4 months and a maximum of 24 months.

Some of the services / facilities we may offer are

- A welcome pack
- Housekeeping
- Linen change
- Secure video entry phone
- Air conditioning
- Dishwasher
- Oven
- Microwave
- Refrigerator / Freezer
- Washer / Dryer
- Iron
- Internet Access with fibre optics
- Telephone
- TV
- DVD player
- Balconies to most apartments
- New 6 person lift to with glass doors

We are hoping to have the informational material ready before the end of July so that we can present the project; marketing ideas, current prices etc so we can appoint an advisor to market it for sale. The letting campaign will start around the New Year so there is approximately six months between marketing starting and first occupation.

Everything will meet corporate tenants planning horizon.

Presentation of current investments

657-663 Commercial Road, Redab Commercial Ltd



The new extension at the rear floor 1 is now underway



Rebuilding of floor 3 663 and 661 Commercial Road

Presentation of current investments

East London Portfolio, Redab Residential Ltd

We are now down to six apartments let to the local council Tower Hamlets until Autumn 2013.

We also have a flat currently under offer.

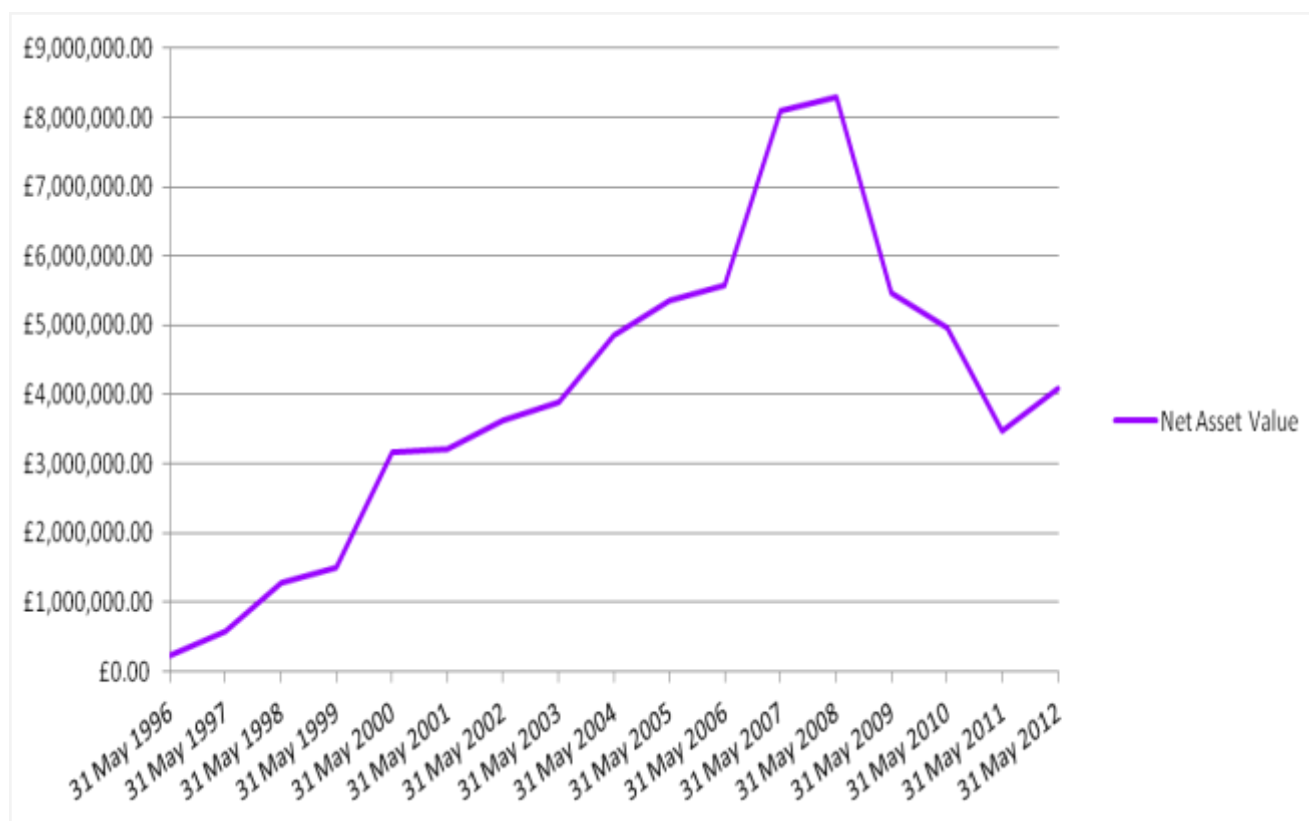


We had planned to sell 13 Theseus House back to the freeholder up to mid-June 2012 as it was part of a regeneration scheme by the local council for the area. The local council has now put back the date for the regeneration for this block until 2018 so we have put it on the market.

13 Theseus House

Property Address	Rental Income
	£
106 Hind Grove (Under offer)	£18,000
13 Theseus House (included in area to be demolished and rebuilt, now put on the market)	£17,676
112 Rounton Road	£13,200
53 Ricardo Street	£13,200
21 Portree Street	£13,800
30 Paris House	£13,200
77 Fairfoot Road	£13,200
40 Purley House	£9,600
Yearly Income	£111,876

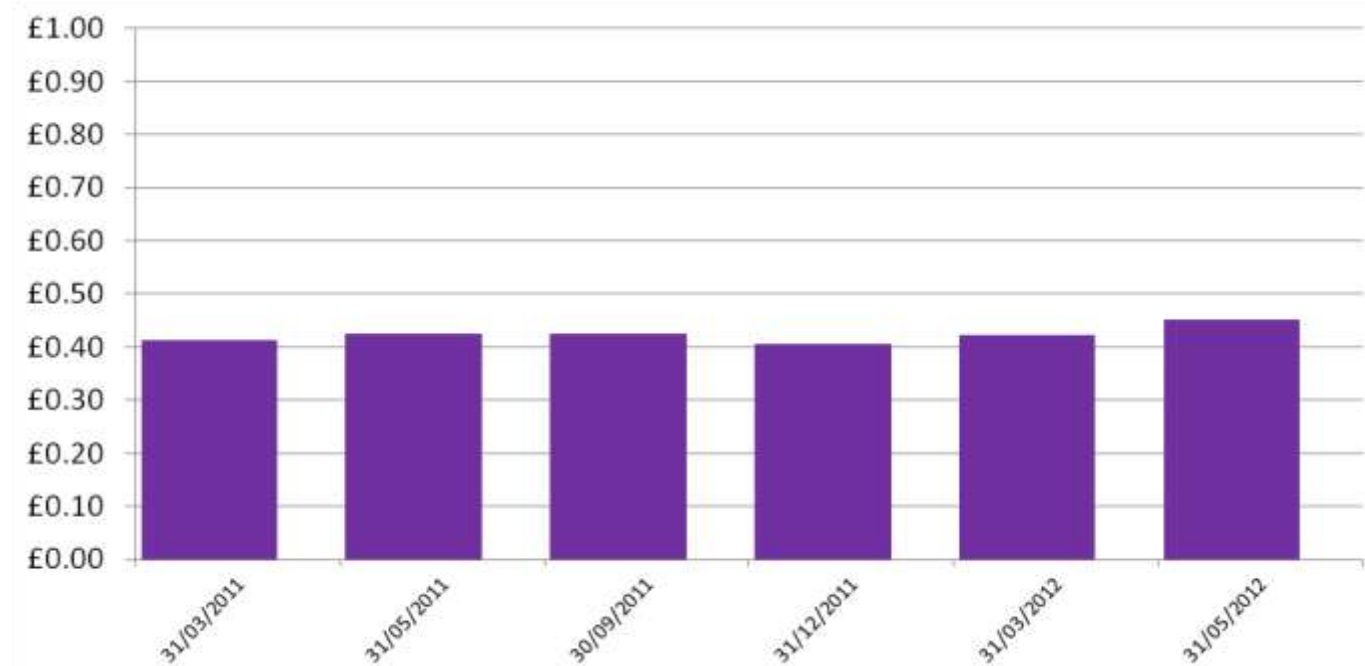
Historical development of Net Asset Value



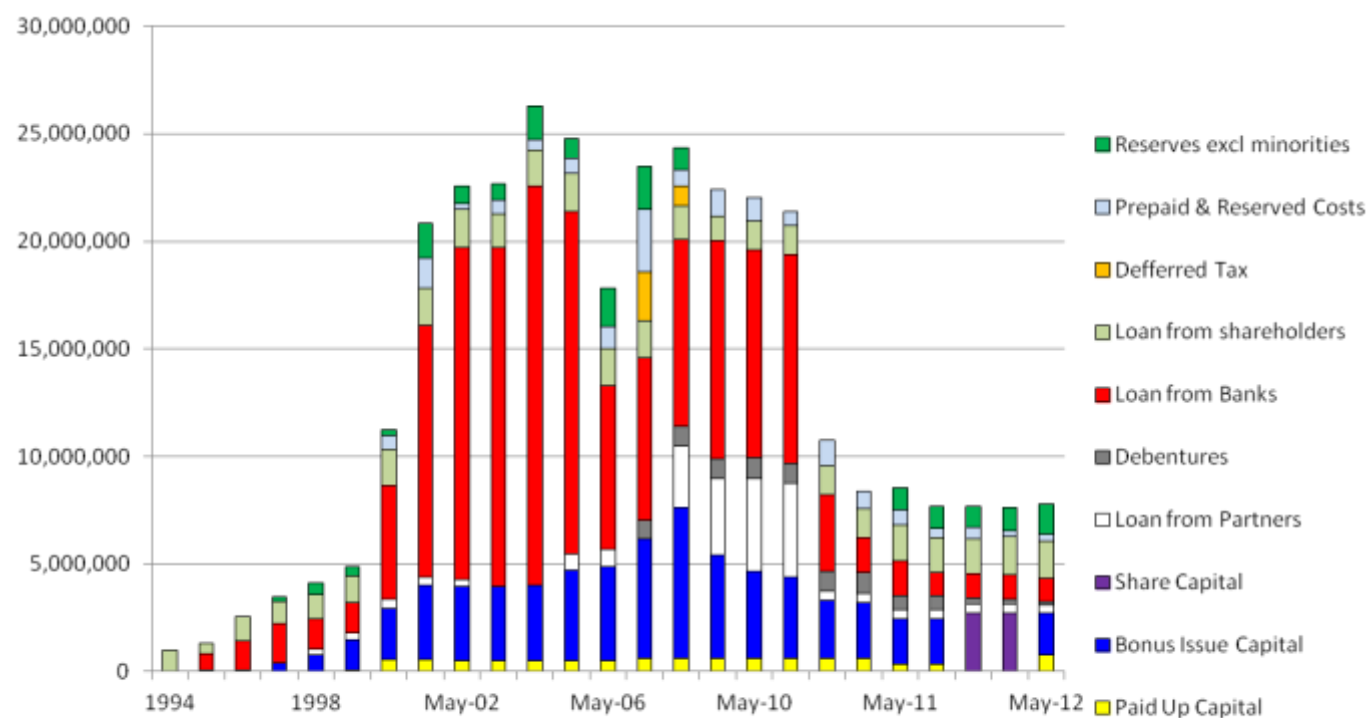
Net Asset Value (NAV)

	31st May 2011	31st May 2012
Value per share		
Net Asset Value	£3,480,485	£4,087,926
Per Share: 8,178,138	42.56 pence	
Per share: 9,018,201		45.30 pence

Development of Net Asset Value per share 31st May 2012



Capital Structure 31st May 2012



Funding

Cash in the bank 31st May 2012	£1,113,843
--------------------------------	------------

External loans 31st May 2012	
Private funding	£230,000
Kilburn Bristol & West Property Finance (£150,000 of loan held on deposit as security)	£875,000
Balance	£1,105,000

Domestic loans 31st May 2012	
Debenture holders—Redab Residential Ltd to be repaid early 2012	£167,819
External Shareholders—Subordinated loan	£1,419,530
T. Ljungberg B.V.—Subordinated loan	£309,223
T. Ljungberg B.V.—Profit sharing loan Redab Residential Ltd	£373,119
Balance—Domestic loans	£2,269,691
Total balance of all loans	£3,374,691

Share trading

You are now able to trade Redab Properties Plc shares. To make it easier for our shareholders to trade the shares Redab has decided to use Leox Inofficiella Aktier AB. Leox is an advertising and information place for unlisted shares, which are not traded in an official market place. www.inoff.nu it's really easy!

1) Go to www.inoff.nu

2) Register

3) Log in

You will be given the following options, we have used CG Pettersson as example

Välkommen till din medlemssida, CG Pettersson!

Här kan du administrera dina aktieposter, lägga upp nytt företag, mm.

[Visa hela aktielistan](#)
(List of shares)

[Lägg in ny annons - köp](#)
(Advertise - buy)

[Lägg in ny annons - sälj](#)
(Advertise - sell)

[Se/ändra i annons\(er\) som du lagt in](#)
(Make change in advertise)

[Lägg in ett nytt företag](#)
(New company)

[Logga ut](#)

Kontaktinformation:

Namn: CG Pettersson
 Adress: 83 Lower Sloane Street
 SW1W 8, London UK
 Telefon: 02072782780
 Epost: caroline@redab.com

4) To buy shares simply fill in the form

Lägg in aktiepost - köp!

Använd tab-tangenten för att flytta dig mellan fälten - tryck INTE på ENTER!

Om företaget INTE finns med i listan nedan - måste du först [lägga upp företaget](#). När du lägger in aktieposten så tryck bara en gång på knappen.

Företag/Aktie:

Köpkurs: SEK

Antal som köpes:

[Till medlemssidan](#)

and you're done!

REDAB PROPERTIES GROUP
REPORT OF THE DIRECTORS AND
MANAGEMENT STATEMENTS
FOR THE YEAR ENDED 31 MAY 2012

Redab Properties Plc

consolidated accounts

REDAB PROPERTIES GROUP

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2012

	Notes	31.5.12 £	31.5.11 £
TURNOVER		3,423,238	2,702,842
Cost of sales		<u>2,523,914</u>	<u>2,182,868</u>
GROSS PROFIT		899,324	519,974
Administrative expenses		<u>502,316</u>	<u>1,233,799</u>
		397,008	(713,825)
Other operating income		<u>-</u>	<u>1,410</u>
OPERATING PROFIT/(LOSS)	2	397,008	(712,415)
Interest receivable and similar income		<u>2,003</u>	<u>32,794</u>
		399,011	(679,621)
Interest payable and similar charges		<u>263,847</u>	<u>411,984</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		135,164	(1,091,605)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>28,176</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		135,164	(1,119,781)
Extraordinary items after taxation	4	<u>-</u>	<u>(47,000)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>135,164</u></u>	<u><u>(1,166,781)</u></u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MAY 2012**

	31.5.12 £	31.5.11 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	135,164	(1,166,781)
Property revaluation	184,726	(2,321,883)
Debenture share of profit	9,697	5,843
Minority Interests	10,714	296
fixtures & Fittings revalued	(13,000)	-
Market risk	-	2,608,287
Joint venture project profit share	12,000	(5,000)
Joint venture share of losses	-	3,331,814
Joint ventures reorganisation	-	(375,309)
Joint venture loans written off	-	(2,302,200)
Goodwill on acquired	16,118	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>355,419</u>	<u>(224,933)</u>

Redab Properties Plc

consolidated accounts

CONSOLIDATED BALANCE SHEET 31 MAY 2012

	Notes	31.5.12 £	£	31.5.11 £	£
FIXED ASSETS					
Tangible assets	5		125,958		117,445
Investment property	6		<u>6,275,150</u>		<u>7,963,871</u>
			6,401,108		8,081,316
CURRENT ASSETS					
Debtors	7	263,993		162,333	
Cash at bank and in hand		<u>1,113,843</u>		<u>323,481</u>	
		1,377,836		485,814	
CREDITORS					
Amounts falling due within one year	8	<u>865,753</u>		<u>1,834,605</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>512,083</u>		<u>(1,348,791)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,913,191		6,732,525
CREDITORS					
Amounts falling due after more than one year	9		(2,825,265)		(3,181,327)
PROVISIONS FOR LIABILITIES	11		<u>-</u>		<u>(70,712)</u>
NET ASSETS			<u>4,087,926</u>		<u>3,480,486</u>
CAPITAL AND RESERVES					
Called up share capital	12		2,705,460		2,453,441
Revaluation reserve	13		(929,001)		(1,135,007)
Capital redemption reserve	13		5,568,573		5,568,573
Profit and loss account	13		<u>(3,257,106)</u>		<u>(3,406,521)</u>
SHAREHOLDERS' FUNDS			<u>4,087,926</u>		<u>3,480,486</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

The group adopts a policy of depreciating at a rate equivalent to the capital allowances claimed for the year.

Investment property

Investment property is shown at long term commercial valuation. Any aggregate surplus or deficit from changes in these valuations is transferred to reserve

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT/(LOSS)

The operating profit (2011 - operating loss) is stated after charging:

	31.5.12	31.5.11
	£	£
Depreciation - owned assets	8,722	-
Auditors' remuneration	48,923	44,273
Foreign exchange differences	<u>1,295</u>	<u>-</u>
Directors' remuneration and other benefits etc	<u>6,912</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.5.12	31.5.11
	£	£
Current tax:		
Interest	<u>-</u>	<u>28,176</u>
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>28,176</u>

4. EXTRAORDINARY ITEMS

	31.5.12	31.5.11
	£	£
Extraordinary items	<u>-</u>	<u>(47,000)</u>

Redab Properties Plc

consolidated accounts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2012

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 June 2011	-	30,925	132,132	163,057
Additions	41,782	-	5,902	47,684
Disposals	-	-	(17,449)	(17,449)
Revaluations	-	-	(13,000)	(13,000)
At 31 May 2012	<u>41,782</u>	<u>30,925</u>	<u>107,585</u>	<u>180,292</u>
DEPRECIATION				
At 1 June 2011	-	-	45,612	45,612
Charge for year	<u>8,722</u>	<u>-</u>	<u>-</u>	<u>8,722</u>
At 31 May 2012	<u>8,722</u>	<u>-</u>	<u>45,612</u>	<u>54,334</u>
NET BOOK VALUE				
At 31 May 2012	<u>33,060</u>	<u>30,925</u>	<u>61,973</u>	<u>125,958</u>
At 31 May 2011	<u>-</u>	<u>30,925</u>	<u>86,520</u>	<u>117,445</u>

Cost or valuation at 31 May 2012 is represented by:

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2012	-	-	(13,000)	(13,000)
Cost	<u>41,782</u>	<u>30,925</u>	<u>120,585</u>	<u>193,292</u>
	<u>41,782</u>	<u>30,925</u>	<u>107,585</u>	<u>180,292</u>

6. INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 June 2011	7,963,871
Additions	786,084
Disposals	(2,659,530)
Revaluations	<u>184,725</u>
At 31 May 2012	<u>6,275,150</u>
NET BOOK VALUE	
At 31 May 2012	<u>6,275,150</u>
At 31 May 2011	<u>7,963,871</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2012

6. INVESTMENT PROPERTY - continued

PROPERTY VALUATIONS	Cost or Valuation Property	Cost or Net Book Value of Inventories
657,659,661,663 Commercial Road	1,630,299	59,195
Various residential properties held by Redab Residential	1,648,760	5,485
Freehold Kilburn Phase V	270,000 322,404	-
7 Flats Jubilee Heights	2,403,689	11,530
Lease Lower Sloane Street	-	16,688
	----- £ 6,275,152 =====	----- £ 92,898 =====

7. DEBTORS

	31.5.12 £	31.5.11 £
Amounts falling due within one year:		
Trade debtors	59,735	50,939
Other debtors	34,125	44,196
VAT	67,169	9,107
Prepayments	62,401	58,091
	<u>223,430</u>	<u>162,333</u>
Amounts falling due after more than one year:		
Amounts owed by participating interests	63	-
Other debtors	40,500	-
	<u>40,563</u>	<u>-</u>
Aggregate amounts	<u>263,993</u>	<u>162,333</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.12 £	31.5.11 £
Debentures	167,819	625,646
Trade creditors	137,469	187,743
Amounts owed to group undertakings	-	848
Other creditors	20,691	61,022
T J Ljungberg BV	-	100,000
Private loan	230,000	230,000
Shareholder loans	169,607	272,223
Accruals and deferred income	140,167	357,123
	<u>865,753</u>	<u>1,834,605</u>

Redab Properties Plc

consolidated accounts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MAY 2012

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.12 £	31.5.11 £
Bank loans - 2-5 years	875,000	1,400,000
Minority Shareholders Loans	1,559,146	1,312,424
T L Ljungberg BV	373,119	438,903
Joint venture profit share	18,000	30,000
	<u>2,825,265</u>	<u>3,181,327</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	31.5.12 £	31.5.11 £
Bristol & West	875,000	1,400,000
Private loan	230,000	230,000
	<u>1,105,000</u>	<u>1,630,000</u>

The loans from Bristol & West Property Finance, are secured on the property of the subsidiary on which the loan is advanced.

11. PROVISIONS FOR LIABILITIES

	31.5.12 £	31.5.11 £
Other provisions		
Minority Interests	-	70,712

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.12 £	31.5.11 £
9,018,201	Ordinary	30p	<u>2,705,460</u>	<u>2,453,441</u>

13. RESERVES

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 June 2011	(3,406,519)	(1,135,007)	5,568,573	1,027,047
Profit for the year	135,164			135,164
Purchase of own shares	16,118	-	-	16,118
Property Revaluations	-	171,726	-	171,726
Joint venture profit share	-	12,000	-	12,000
Debenture profit share	(3,337)	13,034	-	9,697
Minority interests	1,468	9,246	-	10,714
	<u>(3,257,106)</u>	<u>(929,001)</u>	<u>5,568,573</u>	<u>1,382,466</u>
At 31 May 2012				

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2012**

	31.5.12		31.5.11	
	£	£	£	£
Turnover				
Sales	2,889,111		1,968,769	
Rent receivable	362,280		598,625	
Other Income	<u>171,847</u>		<u>135,448</u>	
		3,423,238		2,702,842
Cost of sales				
Purchases	2,705,328		1,820,872	
Joint venture profit share	5,309		-	
Abortive development costs	<u>(186,723)</u>		<u>361,996</u>	
		<u>2,523,914</u>		<u>2,182,868</u>
GROSS PROFIT		899,324		519,974
Other income				
Rents received	-		1,410	
Deposit account interest	2,003		4,385	
Inter-group interest	<u>-</u>		<u>28,409</u>	
		<u>2,003</u>		<u>34,204</u>
		901,327		554,178
Expenditure				
Directors' fees	6,912		-	
Rent & rates	17,828		141,126	
Insurance	23,401		17,242	
Light and heat	1,030		21,023	
Repairs to premises	62,754		235,792	
Telephone	-		10,657	
Post and stationery	5,285		14,607	
Advertising	6,797		5,339	
Travelling	5,769		1,618	
Laundry & cleaning	-		13,705	
Repairs and renewals	822		-	
Legal & professional	76,115		92,290	
Management Charges	123,518		310,351	
Sundry expenses	86,242		249,622	
Auditors' remuneration	48,923		44,273	
Foreign exchange losses	1,295		-	
Depreciation of tangible fixed assets				
Short leasehold	8,722		-	
Bad debts	<u>24,908</u>		<u>-</u>	
		<u>500,321</u>		<u>1,157,645</u>
Carried forward		401,006		(603,467)

Redab Properties Plc

consolidated accounts

CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2012

	31.5.12		31.5.11	
	£	£	£	£
Brought forward		401,006		(603,467)
Finance costs				
Bank charges	1,995		76,154	
Bank loan interest	82,791		200,655	
Inter group interest	7,630		19,261	
Minority shareholders interest	108,132		103,912	
Unsecured Loan Stock Interest	27,145		60,000	
Loan	38,149		28,156	
		<u>265,842</u>		<u>488,138</u>
NET PROFIT/(LOSS)		<u>135,164</u>		<u>(1,091,605)</u>

REDAB PROPERTIES GROUP

REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF REDAB PROPERTIES GROUP

In accordance with your instructions, we have compiled these unaudited financial statements, from the accounting records and information and explanations supplied to us.

Brindley Jacob
Chartered Accountants
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date:

Why invest in Redab Properties Plc?

- 1) *Redab Properties Plc* team have great experience in development and property management in London.
- 2) *Redab Properties Plc* has purchased and developed with good profits, a number of properties in London.
- 3) *Redab Properties Plc* is an asset rich company with only 9% bank funding.
- 4) *Redab Properties Plc* on-going projects will soon be ready with interesting figures.
- 5) *Redab Properties Plc* needs funds to continue to selectively purchase projects for active management and development.
- 6) *Redab Properties Plc* are well placed to handle future profits as losses in 2009 are available to offset against capital gain tax. Approximately £4M in profit can be made without any tax payment.
- 7) *Redab Properties Plc* are offering a unit for investment where the loan is paid to 7%
- 8) *Redab Properties Plc* shares can be traded at Leox's site www.inoff.nu



Jubilee Heights. Kilburn. Five new apartments.



Commercial Road, Limehouse. Under construction.

**REDAB
KILBURN LTD**

Coming soon at Jubilee Heights, Kilburn

5 new luxury apartments

*Built to the highest specification these five luxury apartments will feature :
Granite floors ♦ Fully fitted kitchens ♦ Built in wardrobes ♦ Air Conditioning &
Balconies. Free use of Health Club and off street parking.*



Situated moments from the amenities of Kilburn High Road and within easy reach of local shops, bars and restaurants .



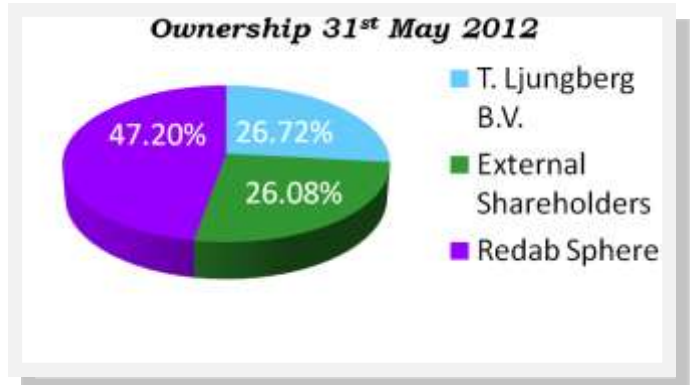
Jubilee Heights is within easy reach of excellent transport links to the City and West End



This is Redab Properties Plc

Track record

- Redab Properties Plc was incorporated on the 27th October 1993, and began trading on the 14th February 1994. The company is owned to 47% by Redab Plc. The first company in the Redab Plc Group commenced trading in Sweden on the 3rd December 1984.
- Redab Properties Plc have traded 14 properties in London over the years, with a sales profit of +25%. In addition, 5 developments have been purchased in London, developed, let and sold to an average profit of +67%.
- Redab Properties Plc issues Interim Reports for the period ending September, December and March with news updates in-between. The Annual Report is issued for the period ending May, with the AGM taking place in August each year.
- Redab Properties Plc currently has 313 shareholders (31st May 2012).
- Redab Properties Plc company documentation, Memorandum and Articles of Association, signed accounts of the Directors, Company Secretary and Auditors, **are available for shareholders to view by appointment at the company's Registered Office.** All documents are in English and subject to legislation in England and Wales.
- Redab Properties Plc was affected, as were all other UK property companies during the financial crisis 2008-2011, and lost approximately 60% of its Net Asset Value (From £8.2M to £3.15M). After the re-start March 2011 some of the capital is already rebuilt and passed £4M 31st May 2012.
- To become a shareholder in Redab Properties Plc please contact the Managing Director for further information.



Redab Properties Plc, 83 Lower Sloane Street, London SW1W 8DA, England

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