

# ANNUAL REPORT

1ST JUNE 2013—31ST MAY 2014



London, 31st July 2014

# MANAGING DIRECTOR'S STATEMENT

This business year 1st June 2013 to 31st May 2014 has been “sell, sell, sell”.

One by one of the properties within the East London portfolio was sold off.

At Jubilee Heights, Kilburn, the five of the apartments from 2008 were sold, and two of the new apartments were sold before Christmas 2013. This year we have sold one further apartment.

We have also sold the land which we had earmarked for the North Block.

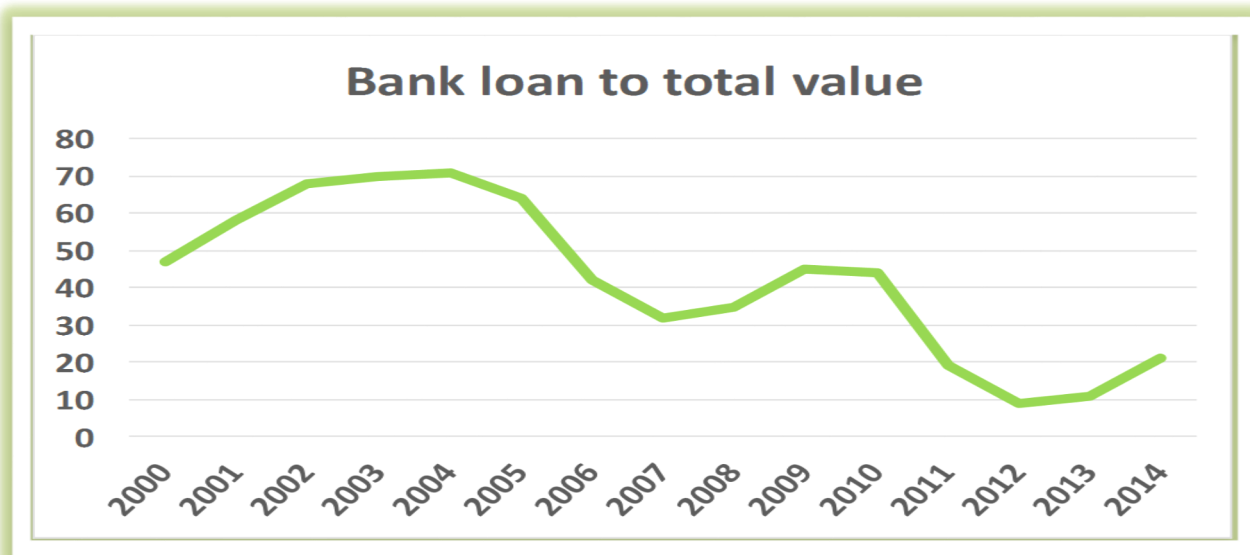
The Heads of Terms were agreed for the sale of the freehold at Kilburn end of June 2014. The leaseholders were notified 2nd July and have until 28th August 2014 to either purchase the freehold or allow us to sell it.

The Penthouse was transferred to Redab Properties Plc from the subsidiary so the subsidiary has part of the freehold under offer for sale approximately September 2014.

15th July 2014 we did a conditional exchange for the sale of 18 apartments, roof mast and freehold of Commercial Road. The Company will keep a long lease for the restaurant.



*CG Pettersson, Managing Director*



The Company has had the benefit of amazing support from its shareholders who have granted subordinated loans. We apologise for the late payment of interest; as a small organisation when the winter flu arrives it hits us hard.

*Our long-term goal continues, this is to create*

## ***LONG TERM SHARE VALUE***

### ***Figures***

The profit was £374,604, which is the highest since 2007 and 2008.

The Net Asset Value has increased to £4,715,853 compared with 31st May 2013 £4,442,123 +6.2% and compared with May 2011 £3,480,485 +35.5%.

31st May 2014 Net Asset Value has passed the target of 50p per share by coming up to 53.4p per share +10.8% since 31st May 2013.

### ***Forecast 31st May 2015***

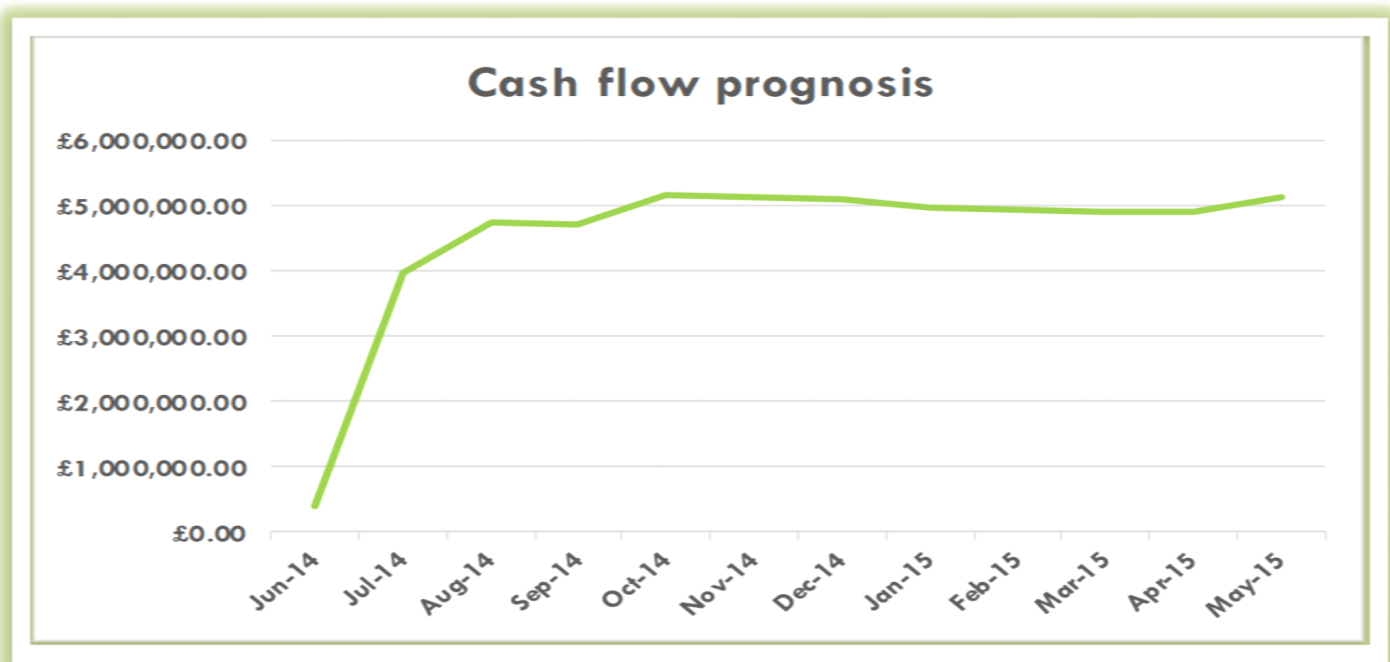
Subject to all sales in the pipeline getting to completion and cash in the bank we have a good base for further growth by August — September 2014.

We are looking at land to purchase in good residential locations.

When we find a suitable plot, after purchasing and receiving planning permission we will make the decision to either sell with planning permission or to develop ourselves. The option we will choose depends on the profit potential, taking into consideration risk ,etc.

We are also looking at offices for development in the Midtown / City Fringe area similar to projects we have done in the past.

Our target is to continue to increase the **NET ASSET VALUE** and create **LONG TERM SHAREHOLDERS VALUE.**





# THE LONDON MARKET

cityam.com

TUESDAY 15 JULY 2014

## Tech set to help drive London's rents up a fifth

■ BY KASMIRA JEFFORD

TECH-RELATED firms are set to overtake financial services and insurance as London's biggest employer for the first time in 2018, helping to drive residential rental values as more workers search for a place to live in the capital.

According to research released by Savills yesterday, an extra 368,000 people will be working in London in five years' time, with a quarter accounted for by tech firms setting up camp in areas such as King's Cross.

An improving UK jobs market is in turn expected to boost rental demand, with the property consultancy firm forecasting rents to rise a total of 20.4 per cent over the five years to 2018.

industry, compared with 50 per cent in 2007, before the financial crisis.

Instead employees from technology, telecommunications, media and advertising firms have taken their place. The number of tech industry employees, for example, has jumped by 19 per cent from 2007 to 2013, outstripping a six per cent rise in finance and insurance.

Highbury and Islington is the most popular spot for tech industry workers to rent because of its proximity to Old Street, where these firms have traditionally been based.

However, financial services employees prefer living in prime central London locations such as Chelsea or Wapping, which is near to the City and Canary Wharf.

PREDICTIONS FOR LONDON'S PRIME RENTAL MARKET IN 2018

TECH VS FINANCIAL SERVICES

HIGHBURY & ISLINGTON  
TOP LOCATION WHERE WORKERS  
IN TECH INDUSTRY RENT



LONDON'S WORKFORCE  
IS SET TO EXPAND BY  
**368,000 PEOPLE**



25% OF WHICH WILL BE ACCOUNTED  
FOR BY THE TECH INDUSTRY

WAPPING & CHELSEA  
TOP LOCATIONS WHERE WORKERS  
IN FINANCE INDUSTRY RENT



PRIME LONDON RENTS  
EXPECTED TO GROW BY A  
**TOTAL OF 20.4%**  
BY 2018



CURRENT AVERAGE PRIME RENT  
FOR A 2,500 SQ FT PROPERTY IS  
**£2,100 PER WEEK**



INTERNATIONAL  
TENANTS  
MAKE UP  
**63%**  
OF LONDON  
PRIME RENTAL  
MARKET



*In 5 years time 368,000 more people will be working in London*

## Unemployment falls to lowest level since bank crisis

Jonathan Prynn

Consumer Business Editor

THE number of people out of work has fallen to its lowest level since the depths of the banking crisis in 2008.

The unemployment total dropped 121,000 to 2.12 million in the three months to May as the fast-growing Brit-

ish economy generated hundreds of thousands of new jobs.

The number of people signing on for Jobseeker's Allowance also fell by 36,300 in June to 1.04 million, the 20th consecutive monthly decline and the lowest total since 2008.

However, most people in work are still suffering, with average base pay rising

just 0.7 per cent – the lowest rate since detailed records began in 2001, and well below the 1.9 per cent rate of inflation.

TUC general secretary Frances O'Grady said: "It's good to see unemployment falling, but with pay growth falling to a record low, serious questions must be asked about the quality of jobs being created in Britain today.

"If all the recovery can deliver is low-paid, low-productivity jobs then Britain's long-term economic prospects will be seriously diminished."

But employment minister Esther McVey said: "It's clear that the Government's long-term economic plan to help businesses create jobs and get people working again is the right one."

EVERING STANDARD WEDNESDAY 9 JULY 2014

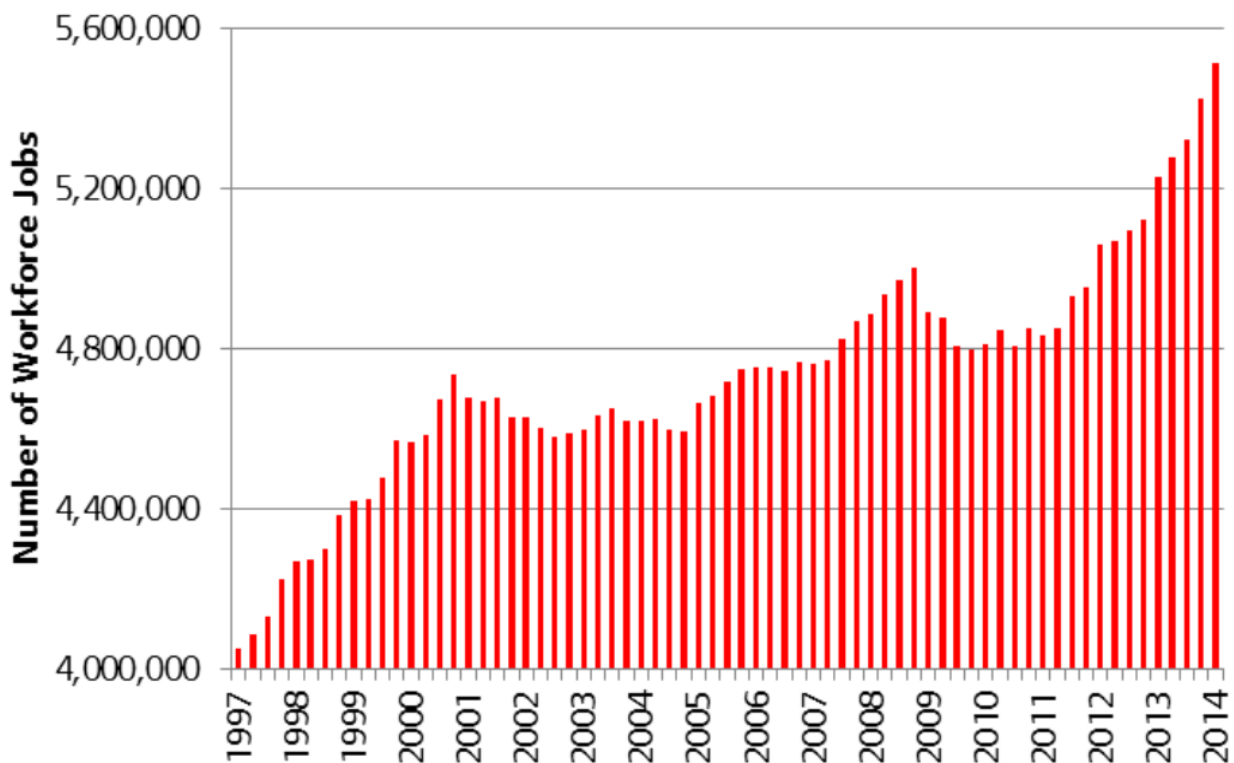
## Consumer confidence lifts house prices ever higher

# THE LONDON MARKET

## Labour Market Summary

- London's labour market has shown resilience during and immediately following the recession period, and shows signs of continued growth
- The number of jobs in London is at record levels, employment rates are at record levels, and the unemployment rate is at its lowest level for over five years

## Substantial growth in workforce jobs



Source: Workforce Jobs

GLAECONOMICS

# ENERGY & SUSTAINABILITY



## ***Structure.***

In residential developments we have used timber structures for sustainability. Low transmission values have been achieved, approximately 50% of the normal UK standard requirements.

## ***U-Values.***

Windows — Triple glazed with a U-value of 0.89

Walls — U-value 0.16

Roof — U-value 0.15

## ***Air-conditioning.***

Used to meet top market requirements of standard, but with advanced control so each user gets to know how much energy is used and the temperature can be set separately for different rooms.

## ***Rain water.***

Rainwater is saved for watering the garden.

## ***Ventilation with energy recovery.***

At Kilburn we are using solar panels to heat the swimming pool and also produce electricity to sell back to the grid, which can be offset against the consumption of power in the air-conditioning.

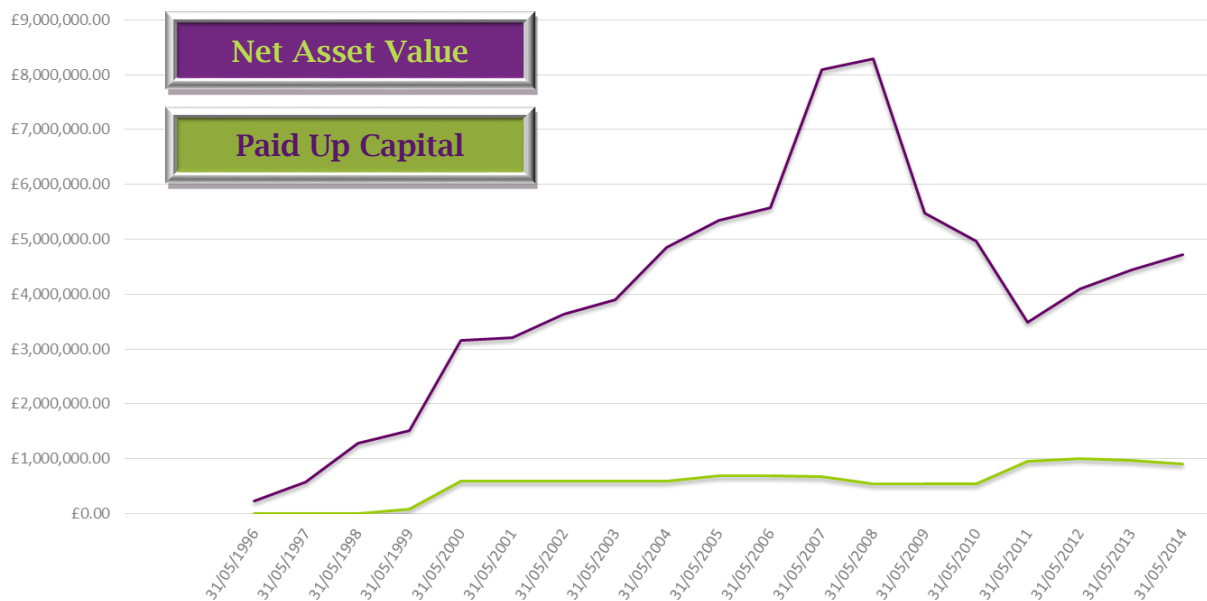
# REMINDER FOR SHAREHOLDERS

**Annual General Meeting 29th August 2014**  
11-13 Cavendish Square,  
London W1G 0AN

Have you let us know that you are coming ? If not, please ensure you return your proxy to us.

## DEVELOPMENT OF NET ASSET VALUE PER SHARE

31ST MAY 2014

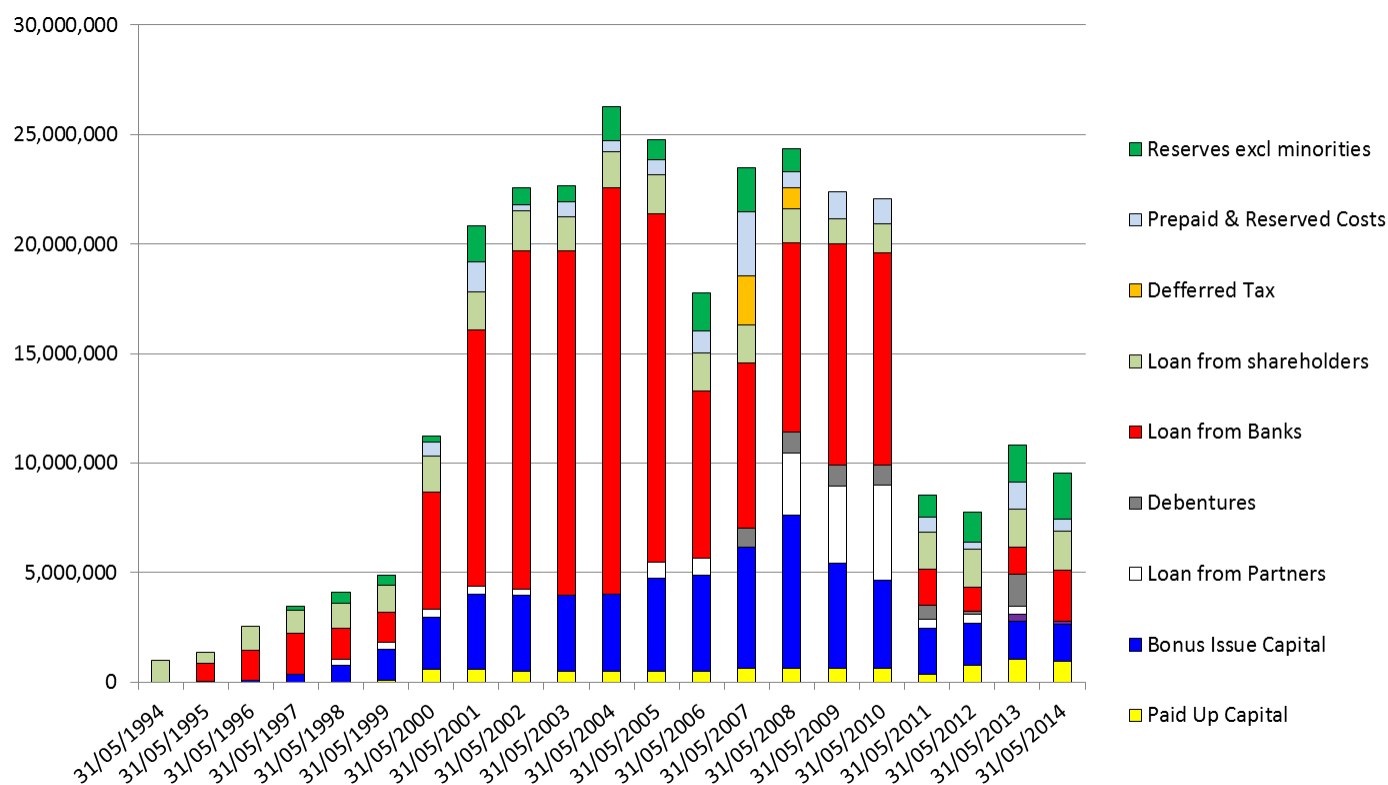


## Net Asset Value (NAV) 31st May 2014

Value per share	31st May 2011	31st May 2012	31st May 2013	31st May 2014
Net Asset Value	£3,480,485	£4,087,926	£4,442,123	£4,715,853
Per share: 9,018,201	42.56 pence	45.30 pence		
Per share: 9,217,215			48.2 pence	
Per share: 8,830,743				53.4 pence
Subject to all 153,514 options are converted to shares (8,984,257) NAV will be			47.68 pence	52.7 pence

## CAPITAL STRUCTURE

31ST MAY 2014





# SHARE TRADING

## Trading of shares in Redab Properties Plc

You sell at 87.5% of  
NAV

Redab Properties Plc holds a stock of  
up to 100,000 shares

Buy

Buy

### OPTION 1

UNITS (shares and  
loan)

Payment for One  
Unit = £1,450

2,000 shares at  
87.5% of NAV (£935)

£515 loan with 6.5%,  
due date

31 December 2017

### OPTION 2

SHARES ONLY

92.5% of NAV

*If you wish to buy or sell your  
shares please contact us  
directly.*

**Telephone: +44 (0)20 7730 0213**

**Email: [info@redab.com](mailto:info@redab.com)**

*This offer is valid to 31st October 2014*

# THE DEVELOPMENT OF SHARE CAPITAL

31ST MAY 2014 (POUND STERLING)



**Graham K Jacob**  
Senior Partner of  
**Brindley Jacob**  
Company Auditor

Year	Changes	Shares issued	Increase in	Total No's of	Total issued
1994	The Company is formed		Share Capital	Shares	Share Capital
1997	Bonus Issue 1:2	50,000	50,000	150,000	150,000
1998	Bonus Issue 3:2	225,000	225,000	375,000	375,000
1998	Bonus Issue 1:3	125,000	125,000	500,000	500,000
1998	Bonus Issue 1:2	250,000	250,000	750,000	750,000
1999	Bonus Issue – lieu of interest	6,674	6,674	756,674	756,674
1999	Bonus Issue 2:5	302,669	302,669	1,059,343	1,059,343
1999	Bonus Issue 1:3	353,114	353,114	1,412,457	1,412,457
1999	Bonus Issue – lieu of interest	15,251	15,251	1,427,708	2,011,435
1999	New Issue – loan conversion	72,205	72,205	1,499,913	1,499,913
2000	New Issue	511,522	511,522	2,011,435	1,622,564
2000	Bonus Issue 4:9	893,971	893,971	2,905,406	2,905,406
2000	Bonus Issue – lieu of interest	41,776	41,776	2,947,182	2,947,182
2001	Bonus Issue 1:3	982,394	982,394	3,929,576	3,929,576
2001	Bonus Issue – lieu of interest	63,296	63,296	3,992,872	3,992,872
2002	Repurchase shares	- 75,850	- 75,850	3,917,022	3,917,022
2002	Bonus Issue – lieu of interest	34,874	34,874	3,951,896	3,951,896
2002	New Issue	6,639	6,639	3,958,535	3,958,535
2004	Bonus Issue – lieu of interest	51,540	51,540	4,010,075	4,010,075
2004	Repurchase shares	- 322	- 322	4,009,753	4,009,753
2004	Bonus Issue 1:6	668,345	668,345	4,678,098	4,678,098
2005	Bonus Issue – lieu of interest	54,567	54,567	4,732,665	4,732,665
2005	New Issue – loan conversion	96,894	96,894	4,829,559	4,829,559
2006	Bonus Issue – lieu of interest	59,063	59,063	4,888,622	4,888,622
2007	Bonus Issue – lieu of interest	49,497	49,479	4,938,119	4,938,119
2007	Bonus Issue 1:4	2,777,591	2,777,591	7,715,710	7,715,710
2007	Repurchase shares	- 10,140	- 10,140	7,705,570	7,705,570
2008	Bonus Issue – lieu of interest	60,523	60,523	7,766,093	7,766,093
2008	Net repurchase shares	- 138,068	- 138,068	7,628,025	7,628,025
2011	Mark down in nominal value from £1 to 30 pence per share				2,288,407
2011	New Issue	1,381,268	414,381	9,009,293	2,702,788
2012	New Issue	177,874	53,361	9,187,167	2,756,150
2013	New Issue	30,048	9,015	9,217,215	2,765,165
2013	Repurchase	- 152,935	- 45,081	9,064,280	2,719,284
2014	Repurchase	- 233,537	- 70,061	8,830,743	2,649,223

# PROFIT & LOSS ACCOUNT AND BALANCE SHEET

31ST MAY 2014 (POUND STERLING)

CONSOLIDATED	31/05	31/05	31/05	31/05
PROFIT AND LOSS	2011	2012	2013	2014
Costs	- 3,416,668	- 1,842,698	- 920,539	- 5,332,812
Income	2,702,842	2,239,707	793,828	6,333,016
P/(L) before finance	- 713,826	397,009	- 126,711	1,000,204
Finance	- 424,780	- 261,844	- 169,834	- 625,600
P/(L) before taxation	- 1,138,606	135,165	- 296,545	374,604
Tax	-28,176	0	0	0
<b><i>P/(L) after taxation</i></b>	<b>- 1,166,782</b>	<b>135,165</b>	<b>- 296,545</b>	<b>374,604</b>
CONSOLIDATED	31/05	31/05	31/05	31/05/
BALANCE SHEET	2011	2012	2013	2014
Properties with Plant and Machinery	8,081,317	6,401,110	10,291,740	7,768,742
Debtors	147,146	263,993	302,839	1,683,701
Bank	323,481	1,113,843	207,875	76,397
<b><i>Total Assets</i></b>	<b>8,551,944</b>	<b>7,778,946</b>	<b>10,802,454</b>	<b>9,528,840</b>
Creditors	621,550	316,329	1,209,156	548,792
Taxation	0	0	0	0
Loan from Shareholders	1,684,648	1,728,753	1,746,205	1,814,539,
Loan from partners	438,903	373,119	373,119	0
Debentures – profit share loan	625,646	167,819	1,453,576	0
Private loan			330,000	150,000
Loan from banks	1,630,000	1,105,000	1,248,275	2,299,656
Share capital	2,453,441	2,705,460	2,765,165	2,649,223
Reserves	1,027,044	1,382,466	1,676,958	2,066,630
Potential tax on hidden Capital Gain	0	0	0	0
Minority Shareholders' interests in subsidiaries	70,712	0	0	0
<b><i>Total Liabilities, Capital and Re-serves</i></b>	<b>8,551,944</b>	<b>7,778,946</b>	<b>10,802,454</b>	<b>9,528,840</b>

# 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.

**Redab Properties Plc** team have great experience in development and property management in London since 1983. The latest projects, completed in June 2013 is 657 Commercial Road and five 3 bedroom apartments in Kilburn early 2014.

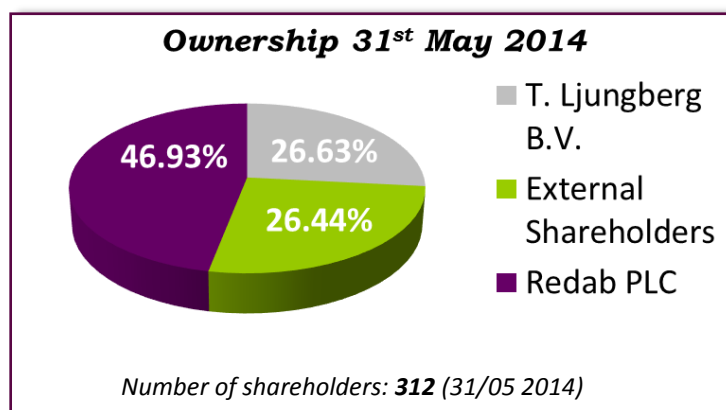
**Redab Properties Plc** has purchased and developed with good profits, a number of properties in London.

**Redab Properties Plc** is an asset rich company with approximate 24% bank funding.

**Redab Properties Plc** needs funds to continue to selectively purchase properties for active management and development.

**Redab Properties Plc** are well placed to handle future profits because of losses in 2011 that are available to offset against capital gain tax. Approximately £4M in profit can be made without any tax payment.

**Redab Properties Plc** are offering a new investment possibility of a unit (shares and subordinated loan) where the loan is paid to 6.5%. Please take a look at our website [www.redabproperties.com](http://www.redabproperties.com).



**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

Telephone: +44 (0)20-7730 0213 Fax: +44 (0)20-7730 0227

Email: [info@redab.com](mailto:info@redab.com) [www.redabproperties.com](http://www.redabproperties.com)

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