

29<sup>4</sup>448

**REGIONAL PROPERTIES LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2000**

---

**DIRECTORS**

B.W. SWEETLAND, LLB, Solicitor, ACoI  
R. M. WHIFFIN, FCA  
**SECRETARY**  
R. M. WHIFFIN, FCA

**PRINCIPAL ACTIVITY**

The company did not trade during the year. The principal activity was formerly that of property investment and development.

**RESULTS AND BUSINESS REVIEW**

The company's results for the year are set out on page 4.

**DIVIDENDS**

The directors do not recommend the payment of a dividend for the financial year ended 31st December 2000 (1999: £Nil).

**DIRECTORS**

The directors named above held office throughout the year. No director had any beneficial interest in shares or debentures of any company in the Friends Provident Group during the year.

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with these requirements.

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 financial statements 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.



**REGIONAL PROPERTIES LIMITED**  
**REPORT OF THE DIRECTORS (Continued)**

**AUDITORS**

The directors have taken advantage of the Elective Regime, under Section 386 of the Companies Act 1985, for dispensation from the annual appointment of auditors.

The auditors, PricewaterhouseCoopers, have signified their willingness to continue in office.

Pixham End  
Dorking  
Surrey  
RH4 1QA

17th September 2001

Registered Number 294448

ON BEHALF OF THE BOARD



R. M. WHIFFIN  
SECRETARY

**AUDITORS' REPORT**  
**TO THE MEMBER OF REGIONAL PROPERTIES LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the accounting policies set out on page 6.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.


**BASIS OF AUDIT 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PRICEWATERHOUSECOOPERS  
Chartered Accountants  
and Registered Auditors  
Southwark Towers  
32 London Bridge Street  
London  
SE1 9SY

17th September 2001

**REGIONAL PROPERTIES LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2000**

	Notes	2000 £000	1999 £000
<u>Discontinued operations</u>			
Administrative expenses	4	(3) --	(3) --
<b>OPERATING LOSS</b>		(3)	(3)
Change in provision against subsidiary undertakings		- ---	(3) ---
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(3)	(6)
Taxation on loss on ordinary activities	5	5 --	(3) --
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		2 =	(9) =

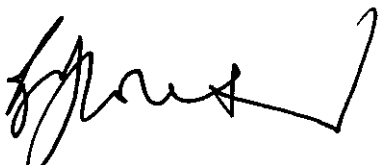
The above profit and loss account includes all recognised gains and losses. There is no difference between the results disclosed above and those on an unmodified historical cost basis.

The notes on pages 6 to 10 form an integral part of these accounts.

**REGIONAL PROPERTIES LIMITED**  
**BALANCE SHEET AS AT 31ST DECEMBER 2000**

	Notes	2000 £000	1999 £000
<b>FIXED ASSETS</b>			
Investments: Subsidiary undertakings	6	2,335 -----	2,335 -----
<b>CURRENT ASSETS</b>			
Debtors	7	19,679	19,675
Cash at bank and in hand		9 -----	9 -----
		19,688	19,684
<b>CREDITORS: Amounts falling due within one year</b>	8	(2,175) -----	(2,173) -----
<b>NET CURRENT ASSETS</b>		17,513 -----	17,511 -----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		19,848 =====	19,846 =====
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	9	4,918	4,918
Profit and loss account		14,930 -----	14,928 -----
<b>SHAREHOLDER'S FUNDS - INCLUDING NON-EQUITY</b>	10	19,848 =====	19,846 =====

Approved by the Board on 17th September 2001 and signed on its behalf by



**B. W. SWEETLAND**  
**DIRECTOR**

The notes on pages 6 to 10 form an integral part of these accounts.

**REGIONAL PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS**

**1. ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention.

Group accounts are not prepared as the company is a wholly owned subsidiary undertaking of Friends' Provident Life Office (from 9th July 2001, Friends Provident plc), which is incorporated in the United Kingdom.

**(b) Investments**

Interests in subsidiary and other undertakings are stated at cost unless their value has been impaired, in which case they are valued at their realisable value or value in use, as appropriate.

**(c) Deferred Taxation**

Provision is made for deferred taxation only to the extent that it is probable that an actual liability will crystallise within the foreseeable future.

**2. DIRECTORS' EMOLUMENTS AND OTHER BENEFITS**

The directors consider that their services to the company were incidental to their other duties within the Friends Provident Group and accordingly no remuneration has been apportioned to this company.

**3. EMPLOYEES**

The company did not employ any staff during the year (1999: None).

**4. AUDITORS' REMUNERATION**

Auditors' remuneration amounted to £3,000 (1999: £3,000).

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

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
Group relief	(5)	(7)
Adjustment to prior year accrual	-	10
	--	--
	(5)	3
	=	=

**REGIONAL PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**

**6. INVESTMENTS: Subsidiary undertakings**

	<b>Cost</b>	<b>Provision</b>	<b>Net Book Value</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Shares			
At 1st January 2000	2,338	(3)	2,335
	=====	=	=====
At 31st December 2000	2,338	(3)	2,335
	=====	=	=====

In the opinion of the directors, the aggregate value of the shares in subsidiaries is not less than the amount at which they are stated in the balance sheet.

The subsidiaries listed below are all wholly owned and incorporated in Great Britain.

**Property Investment Companies**

London Midland Associated Properties Limited

Regional Assets Limited

**Management Company**

Regional Properties Management Limited

**Dormant Companies**

Gracechurch Securities Limited

Ibex Developments (Vauxhall) Limited\*

Ibex Commercial & Industrial Properties Limited\*

Ibex Properties (City) Limited\*

Ibex Properties (Ealing) Limited\*

Ibex Properties (St James) Limited\*

Ibex (Residential Holding) Limited\*

\* Shareholdings in these subsidiaries are held through other subsidiaries of the company.

**REGIONAL PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**

**7. DEBTORS**

	2000	1999
	£000	£000
Amounts owed by subsidiary undertakings	19,679	19,668
Taxation	-	7
	-----	-----
	19,679	19,675
	=====	=====

Amounts owed by subsidiary undertakings are non-interest bearing.

**8. CREDITORS: Amounts falling due within one year**

	2000	1999
	£000	£000
Other creditors	8	6
Amounts owed to fellow subsidiary undertakings	2,167	2,167
	-----	-----
	2,175	2,173
	=====	=====



**REGIONAL PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**

**9. CALLED-UP SHARE CAPITAL**

	<b>2000</b>	<b>1999</b>
	<b>£000</b>	<b>£000</b>
<b>(a) Authorised:</b>		
337,052,625 ordinary shares of 1p each	3,371	3,371
18,917,895 deferred shares of 25p each	4,729	4,729
	-----	-----
	<u>8,100</u>	<u>8,100</u>
<b>(b) Allotted, issued and fully paid:</b>		
18,917,895 ordinary shares of 1p each	189	189
18,917,895 deferred shares of 25p each	4,729	4,729
	-----	-----
	<u>4,918</u>	<u>4,918</u>

The ordinary shares have the following rights:

- Shareholders are entitled to dividends according to the number of shares held
- In general meetings, each ordinary share carries one vote
- Upon any resolution for the winding up of the company, capital is returned to ordinary shareholders at £1 per share, but they do not have further rights on a return of assets

The deferred shares have the following rights:

- Shareholders have no right to receive any dividend
- Shareholders have no right to receive notice of or to attend or vote at any General Meeting of the Company
- The holders of deferred shares have the right on a return of assets, whether in a winding up or otherwise to the return of the nominal amount paid up on the shares, after the holders of the ordinary shares of 1p each be paid at £1 per share.

**REGIONAL PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**

**10. MOVEMENTS IN TOTAL SHAREHOLDER'S FUNDS**

	Share Capital £000	Profit and Loss Account £000	Total shareholder's Funds £000
At 1st January 2000	4,918	14,928	19,846
Profit for the year	-	2	2
	-----	-----	-----
At 31st December 2000	4,918	14,930	19,848
	=====	=====	=====
Equity shareholder's funds			15,119
Non-Equity shareholder's funds			4,729
			-----
			19,848
			=====

**11. RELATED PARTY TRANSACTIONS**

The results of the company for the year ended 2000 are consolidated in the results of Friends' Provident Life Office (from 9th July 2001, Friends Provident plc), the company's ultimate parent and controlling company, whose financial statements are publicly available. Accordingly, the company is exempt from the requirement to disclose transactions with other companies which qualify as related parties within the Friends Provident Group.

There were no other material related party transactions.

**12. ULTIMATE PARENT UNDERTAKING**

The company's ultimate parent undertaking was Friends' Provident Life Office (FPLO) until 9th July 2001 when FPLO demutualised and Friends Provident plc became the new ultimate parent of the Friends Provident Group. Copies of the accounts of the ultimate parent undertaking are available from Pixham End, Dorking, Surrey, RH4 1QA.