

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007
FOR
DEVELOPMENT LAND HOLDINGS PLC**

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DEVELOPMENT LAND HOLDINGS PLC

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FOR THE YEAR ENDED 31 OCTOBER 2007**

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DEVELOPMENT LAND HOLDINGS PLC
COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2007

DIRECTORS:	R P M Abel J Cant
SECRETARY:	B Jenkins
REGISTERED OFFICE:	Harbour Place Serbert Road Portishead Bristol BS20 7GB
REGISTERED NUMBER:	05505943 (England and Wales)
AUDITORS:	T P Lewis & Partners (BOS) Limited Chartered Accountants & Registered Auditors 3/5 College Street Burnham on Sea Somerset TA8 1AR
BANKERS:	Allied Irish Bank (GB) 19 Whiteladies Road Clifton Bristol BS8 1PB

DEVELOPMENT LAND HOLDINGS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2007

The directors present their report with the financial statements of the company for the year ended 31 October 2007.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision to everyday investors with the opportunity to buy plots of land, which may, at some time in the future, benefit from a substantial uplift in value following a successful application for development. In order to facilitate this we need to research the market and acquire attractive sites and then dissect these into smaller parcels (plots) of land and make these available at prices most can afford.

Unlike many competitors, the company seeks to gain sales through intermediaries rather than directly to the public. It was felt that intermediaries would be able to identify suitable clients more easily. As intermediaries have had limited exposure to direct investment in land marketing the concept has also been part of the principal activity.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DLH was founded with the intention of spending part of this financial year establishing a diverse and potentially valuable portfolio of land that would offer clients exciting potential returns, and the building of a professional and dedicated team of staff to enable the company to provide the level of back up services that we would need to provide as the company's chosen route to market is through Independent Financial Advisers. This route had been chosen as we believed it was inappropriate to advise investors on potentially large investments when we had no understanding of their individual circumstances, or the suitability of these investments.

Although the requirement to become FSA registered initially had a negative impact on our sales drive, we started the process to become fully authorised by the FSA during the year and from initial marketing we believed that this would greatly help the company's progress and would make for an exciting future. However, due to the complexities of obtaining full FSA registration, a decision was made during the year to not to register the company with the FSA.

We now have a substantial land bank to accommodate the foreseeable future.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2007.

FUTURE DEVELOPMENTS

The directors remain confident about the future of the company.

DIRECTORS

R P M Abel has held office during the whole of the period from 1 November 2006 to the date of this report.

Other changes in directors holding office are as follows:

J Cant - appointed 4 January 2007

B Jenkins - resigned 4 January 2007

DEVELOPMENT LAND HOLDINGS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 OCTOBER 2007

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise of bank balances, other debtors and loans to the company. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by the close monitoring of funds.

In respect of loans, these comprise of loans from both the bank and R Abel, director. The interest rate on the loan from the bank is 1.75% above base rate. The loans from the bank are repayable in full within one year. The loan from the director is interest free. The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments when they fall due. The directors are aware of the company's required finance.

The directors consider that the potential impact of the introduction of the Euro on the business and operations is not likely to be significant.

RISK ASSESSMENT

The directors have considered the risks facing the business and have identified one key risk. The long term success of the business is dependent upon sourcing good quality land at reasonable prices. It is important to stress that the company purchases land, which it considers to have strong potential for development. We do, however, make it clear to investors that there are no guarantees and that the investment should be seen as long term and speculative.

KEY PERFORMANCE INDICATORS

The first accounting period was one of setting up the business. The second accounting period has seen few sales generated, therefore the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

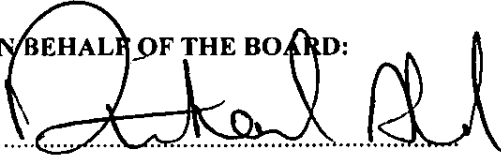
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DEVELOPMENT LAND HOLDINGS PLC
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2007

AUDITORS

The auditors, T P Lewis & Partners (BOS) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'R P M Abel', written over a dotted line.

R P M Abel - Director

Date: 6 January 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF DEVELOPMENT LAND HOLDINGS PLC

We have audited the financial statements of Development Land Holdings plc for the year ended 31 October 2007 on pages six to eighteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

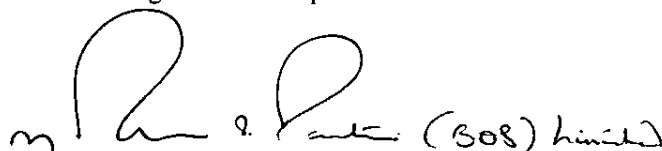
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 October 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



T P Lewis & Partners (BOS) Limited
Chartered Accountants
& Registered Auditors
3/5 College Street
Burnham on Sea
Somerset
TA8 1AR

Date: 10th January 2009

DEVELOPMENT LAND HOLDINGS PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2007

		Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	Notes	£	£
TURNOVER		105,716	-
Cost of sales		<u>26,927</u>	<u>-</u>
GROSS PROFIT		78,789	-
Administrative expenses		<u>232,401</u>	<u>178,837</u>
		(153,612)	(178,837)
Other operating income		<u>4,249</u>	<u>14,229</u>
OPERATING LOSS	3	(149,363)	(164,608)
Interest payable and similar charges	4	<u>53,923</u>	<u>14,205</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(203,286)	(178,813)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(203,286)</u>	<u>(178,813)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2007**

	Year Ended 31.10.07 £	Period 12.7.05 to 31.10.06 as restated £
LOSS FOR THE FINANCIAL YEAR	(203,286)	(178,813)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(203,286)</u>	<u>(178,813)</u>
Prior year adjustment	Note 6 <u>(162)</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u><u>(203,448)</u></u>	

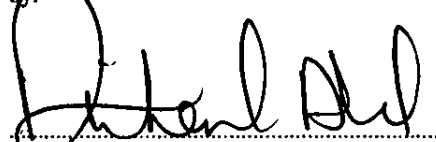
The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC

**BALANCE SHEET
31 OCTOBER 2007**

		2007		2006 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		30,612		46,657
Investments	8		<u>1</u>		<u>1</u>
			30,613		46,658
CURRENT ASSETS					
Stocks	9	1,087,540		1,109,518	
Debtors	10	-		30,051	
Cash in hand		<u>12</u>		<u>12</u>	
		1,087,552		1,139,581	
CREDITORS					
Amounts falling due within one year	11	<u>1,450,263</u>		<u>1,315,051</u>	
NET CURRENT LIABILITIES			<u>(362,711)</u>		<u>(175,470)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>(332,098)</u></u>		<u><u>(128,812)</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		50,001		50,001
Profit and loss account	16		<u>(382,099)</u>		<u>(178,813)</u>
SHAREHOLDERS' FUNDS	19		<u><u>(332,098)</u></u>		<u><u>(128,812)</u></u>

The financial statements were approved by the Board of Directors on 6th January 2009 and were signed on its behalf by:


 R P M Abel - Director

The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2007

		Year Ended 31.10.07		Period 12.7.05 to 31.10.06 as restated	
	Notes	£	£	£	£
Net cash outflow from operating activities	1		(108,074)		(1,117,742)
Returns on investments and servicing of finance	2		(53,923)		(14,205)
Capital expenditure and financial investment	2		-		(52,825)
			<u>(161,997)</u>		<u>(1,184,772)</u>
Financing	2		164,212		1,180,886
Increase/(Decrease) in cash in the period			<u>2,215</u>		<u>(3,886)</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		2,215		(3,886)	
Cash outflow/(inflow) from decrease/(increase) in debt		<u>2,000</u>		<u>(750,000)</u>	
Change in net debt resulting from cash flows			<u>4,215</u>		<u>(753,886)</u>
Movement in net debt in the period			4,215		(753,886)
Net debt at 1 November			<u>(753,886)</u>		<u>-</u>
Net debt at 31 October			<u><u>(749,671)</u></u>		<u><u>(753,886)</u></u>

The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2007**

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Operating loss	(149,363)	(164,608)
Depreciation charges	16,045	6,167
Decrease/(Increase) in stocks	21,978	(1,109,518)
Decrease/(Increase) in debtors	30,051	(30,051)
(Decrease)/Increase in creditors	(26,785)	180,268
Net cash outflow from operating activities	(108,074)	(1,117,742)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Returns on investments and servicing of finance		
Interest paid	(53,923)	(14,205)
Net cash outflow for returns on investments and servicing of finance	(53,923)	(14,205)
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	(52,824)
Purchase of fixed asset investments	-	(1)
Net cash outflow for capital expenditure and financial investment	-	(52,825)
 Financing		
New loans in year	-	750,000
Loan repayments in year	(2,000)	-
Amount introduced by directors	267,059	484,394
Amount withdrawn by directors	(100,847)	(103,509)
Share issue	-	50,001
Net cash inflow from financing	164,212	1,180,886

The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2007**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.11.06 £	Cash flow £	At 31.10.07 £
Net cash:			
Cash at bank and in hand	12	-	12
Bank overdraft	<u>(3,898)</u>	<u>2,215</u>	<u>(1,683)</u>
	<u>(3,886)</u>	<u>2,215</u>	<u>(1,671)</u>
 Debt:			
Debts falling due within one year	<u>(750,000)</u>	<u>2,000</u>	<u>(748,000)</u>
	<u>(750,000)</u>	<u>2,000</u>	<u>(748,000)</u>
 Total	<u><u>(753,886)</u></u>	<u><u>4,215</u></u>	<u><u>(749,671)</u></u>

The notes form part of these financial statements

DEVELOPMENT LAND HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2007

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

the financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules.

The financial statements contain information about Development Land Holdings Plc as an individual company and do not contain consolidated financial information as a parent of a group. The company is exempt from the requirement to prepare group accounts, as the subsidiary undertaking is not material for the purpose of giving a true and fair view. This exemption has been taken under S229(2) of the Companies Act.

Accounting convention

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

Turnover

Turnover represents sales on individual plots of land, upon legal completion.

Tangible fixed assets

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

Fixtures and fittings	- Straight line over 8 years
Computer equipment	- Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Going concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate as the company is funded by loans provided by Richard Abel (director) and the bank. Richard Abel has pledged continuing financial support for the foreseeable future to enable the company to continue to trade.

If the company were unable to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount to provide for any further liability that might arise and to reclassify fixed assets as current.

2. STAFF COSTS

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Wages and salaries	135,443	46,422

DEVELOPMENT LAND HOLDINGS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2007**

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
Sales	3	1
Administration	4	2
	<u>7</u>	<u>3</u>

3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Other operating leases	(24,833)	28,649
Depreciation - owned assets	16,045	6,167
Auditors' remuneration	3,813	8,500
Auditors' remuneration for non audit work	1,843	1,500
	<u> </u>	<u> </u>
Directors' emoluments	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Bank interest	591	-
Bank loan interest	53,332	6,088
Finance charges	-	8,117
	<u>53,923</u>	<u>14,205</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 October 2007 nor for the period ended 31 October 2006.

DEVELOPMENT LAND HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 OCTOBER 2007

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.10.07	Period 12.7.05 to 31.10.06 as restated
	£	£
Loss on ordinary activities before tax	<u>(203,286)</u>	<u>(178,813)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	(60,986)	(53,644)
Effects of:		
Capital allowances in excess of depreciation	2,962	(4,744)
Expenses not deductible for tax purposes	433	105
Unutilised tax losses	<u>57,591</u>	<u>58,283</u>
Current tax charge	<u>-</u>	<u>-</u>

6. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in respect of amounts paid in 2006 on behalf of Development Land Holdings PLC by Bristol & London Property Limited, a company owned and controlled by Richard Abel. These amounts totalled £103,671 and were previously shown under the directors loan account. These amounts are now shown under Other Creditors and these adjustments had resulted in a reduction in 2006 profits of £162.

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 November 2006 and 31 October 2007	<u>35,789</u>	<u>17,035</u>	<u>52,824</u>
DEPRECIATION			
At 1 November 2006	2,564	3,603	6,167
Charge for year	<u>6,764</u>	<u>9,281</u>	<u>16,045</u>
At 31 October 2007	<u>9,328</u>	<u>12,884</u>	<u>22,212</u>
NET BOOK VALUE			
At 31 October 2007	<u>26,461</u>	<u>4,151</u>	<u>30,612</u>
At 31 October 2006	<u>33,225</u>	<u>13,432</u>	<u>46,657</u>

DEVELOPMENT LAND HOLDINGS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2007**

8. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 November 2006 and 31 October 2007	1
NET BOOK VALUE	
At 31 October 2007	1
At 31 October 2006	1

The company's investments at the balance sheet date in the share capital of companies include the following:

Development Land Portfolio Limited

Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	100.00

9. STOCKS

	2007	2006 as restated
	£	£
Land bank	1,087,540	1,109,518

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006 as restated
	£	£
Other debtors	-	30,051

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006 as restated
	£	£
Bank loans and overdrafts (see note 12)	749,683	753,898
Social security and other taxes	17,832	4,742
Other creditors	103,671	103,671
Directors' current accounts	547,097	380,885
Accruals and deferred income	31,980	71,855
	1,450,263	1,315,051

DEVELOPMENT LAND HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 OCTOBER 2007

12. LOANS

An analysis of the maturity of loans is given below:

	2007	2006 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,683	3,898
Bank loans	748,000	750,000
	<u>749,683</u>	<u>753,898</u>

13. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

		Land and buildings
	2007	2006 as restated
	£	£
Expiring:		
In more than five years	-	54,633
	<u>-</u>	<u>54,633</u>

The lease shown in 2006 was cancelled by agreement of both parties during 2007.

14. SECURED DEBTS

The following secured debts are included within creditors:

	2007	2006 as restated
	£	£
Bank overdraft	1,683	-
Bank loans	748,000	750,000
	<u>749,683</u>	<u>750,000</u>

The bank loans are secured over the company's land bank. Interest charges are incurred on the loans at 1.75% above base rates. The bank loans were originally due for repayment on 27 October 2008. The bank overdraft is repayable on demand. The facility was further extended to 31 May 2009 after this date.

Mr Abel, the director, has also provided a personal guarantee of £750,000 over the company's debts.

DEVELOPMENT LAND HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 OCTOBER 2007

15. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2007	2006 as restated
Number:	Class:			
100,000	Ordinary	£1	£ <u>100,000</u>	£ <u>100,000</u>
Allotted and issued:		Nominal value:	2007	2006 as restated
Number:	Class:			
50,001	Ordinary	£1	£ <u>50,001</u>	£ <u>50,001</u>

16. RESERVES

	Profit and loss account £
At 1 November 2006	(178,651)
Prior year adjustment	(162)
	<u>(178,813)</u>
Deficit for the year	(203,286)
	<u>(382,099)</u>
At 31 October 2007	

17. RELATED PARTY DISCLOSURES

At 31 October 2007 £547,097 (2006 £380,885) was owed to RPM Abel by the company. The maximum outstanding to RPM Abel during the year was £547,315 (2006 £380,885) and the minimum was nil. No interest was received during the year on this loan.

RPM Abel controls and is a director of Bristol and London plc and is therefore considered to be a related company. At the year end, Development Land Holdings plc owe Bristol and London plc £nil (2006 £7,675). Bristol and London plc owe Development land Holdings plc £nil (2006 £13,200).

RPM Abel owns 100% of Bristol and London Property Limited and is therefore considered to be a related company. During the year to 31 October 2007, no transactions took place during the year with Bristol and London Property Limited. There is however a balance owed to Bristol & London Property Limited of £103,671 brought forward from 2006. This figure is shown under Other Creditors.

18. ULTIMATE CONTROLLING PARTY

RPM Abel holds 99.9% of the issued share capital of the company and as a result is the ultimate controlling party.

DEVELOPMENT LAND HOLDINGS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2007**

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006 as restated
	£	£
Loss for the financial year	(203,286)	(178,813)
Shares issued	-	50,001
Net reduction of shareholders' funds	<u>(203,286)</u>	<u>(128,812)</u>
Opening shareholders' funds (originally £(128,650) before prior year adjustment of £(162))	(128,812)	-
Closing shareholders' funds	<u><u>(332,098)</u></u>	<u><u>(128,812)</u></u>