

F.W.H. Properties Co. Limited

**Directors' report and financial
statements**

Registered number 564340

31 December 2003



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

Principal activity

The company did not trade during the year.

Directors and directors' interests

The directors who held office during the year, and who are still in office, are:

Mr BSE Freshwater
Mr D Davis

The Articles of Association of the company do not require the directors to retire by rotation.

Neither director has a service contract nor receives any emoluments from the company.

The whole of the issued share capital of the company is owned by Barranquilla Properties Limited.

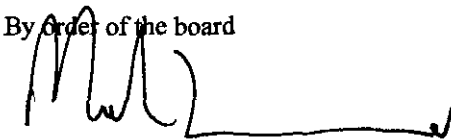
Mr BSE Freshwater and Mr D Davis are also directors of the intermediate parent undertaking, Metropolitan Properties Company Limited and Mr BSE Freshwater's interest therein is set out in the directors' report of that company.

Apart from the aforementioned, at 31 December 2003, neither of the directors had any interest in the share capital of the company, the company's parent undertaking or any subsidiary of the company's parent undertaking.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



MRM Jenner
Secretary

Freshwater House
158/162 Shaftesbury Avenue
London WC2H 8HR

30 June 2004

Statement of 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 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 ensuring that the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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London
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Independent auditors' report to the members of F.W.H. Properties Co. Limited

We have audited the financial statements on pages 4 to 6.

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 auditor's 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 are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 Companies Act 1985. 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 with the company is not disclosed.

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 as at 31 December 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
Chartered Accountants
Registered Auditor

30 June 2004

Balance sheet
at 31 December 2003

	<i>Note</i>	2003 £	2002 £
Current assets			
Debtors	4	2,148,917	2,148,917
Creditors: amounts falling due within one year	5	(2,148,717)	(2,148,717)
Net assets		<u>200</u>	<u>200</u>
Capital and reserves			
Equity share capital	6	100	100
Non equity share capital	6	100	100
Shareholders' funds		<u>200</u>	<u>200</u>

Other than the non-equity share capital of £100 shareholders' funds relate exclusively to equity shareholders' interests.

The company has not traded and has made neither a profit nor a loss in the current or preceding year. Consequently no profit and loss account is presented.

There are no recognised gains or losses for the current or preceding year.

These financial statements were approved by the board of directors on 30 June 2004 and were signed on its behalf by:


BSE Freshwater
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement (in accordance with Financial Reporting Standard No. 1 (revised 1996)) on the grounds that it is a wholly-owned subsidiary undertaking of an intermediate holding company registered in England and Wales which prepares consolidated financial statements that include a consolidated cash flow statement.

Related party transactions

The company has taken advantage of the exemption in FRS 8 Related Party Disclosures in order to dispense with the requirement to disclose transactions with other Metropolitan Properties Company Limited Group companies.

2 Profit and loss account

During the year and the preceding year, the company did not trade and incurred no income or expenditure. Consequently during those years the company made neither a profit nor a loss and therefore a profit and loss account has not been prepared.

3 Remuneration of directors

The directors did not receive any emoluments during the year or in the previous year. Apart from the directors there were no other employees of the company during the year or in the previous year.

4 Debtors

	2003 £	2002 £
Amount owed by intermediate parent undertaking (no fixed terms of repayment)	<u>2,148,917</u>	<u>2,148,917</u>

Notes (continued)

5 Creditors: amounts falling due within one year

	2003 £	2002 £
Amount owed to immediate parent undertaking (no fixed terms of repayment)	2,148,717	2,148,717

6 Called up share capital

	2003 £	2002 £
<i>Authorised</i>		
Equity share capital		
100 ordinary shares of £1 each	100	100
Non-equity share capital		
500 0.7% non-cumulative preference shares of £1 each	500	500
	600	600
<i>Allotted, called up and fully paid</i>		
Equity share capital		
100 ordinary shares of £1 each	100	100
Non-equity share capital		
100 0.7% non-cumulative preference shares of £1 each	100	100
	200	200

The non-cumulative preference shares confer the right on the holders to receive a non-cumulative dividend each year at the rate of 0.7% net on the amounts paid up. These shares would rank above the ordinary shares and be redeemable at par, in the event of the winding up of the company. The directors do not recommend payment of a dividend.

7 Ultimate parent undertaking

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up is Centremanor Limited, a company registered in England and Wales.

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up is Metropolitan Properties Company Limited, a company registered in England and Wales.

Copies of these financial statements can be obtained from the following address: Freshwater House, 158/162 Shaftesbury Avenue, London WC2H 8HR.

The ultimate parent undertaking is Linnet Limited, a company incorporated in the Isle of Man and controlled by trusts.