

METROPOLITAN PROPERTIES CO.
(F.G.C.) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31ST DECEMBER, 1984

COHEN, ARNOLD & CO.
13-17 New Burlington Place, Regent Street, London W1X 2JP

PEAT, MARWICK, MITCHELL & CO.
1 Puddle Dock, Blackfriars, London EC4V 3PD.



METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report together with the accounts of the company for the year ended 31st December, 1984.

Review of activities:

The principal activity of the company is investment including property investment.

Throughout the year the company has pursued its traditional activities and there have been no significant changes in the nature of the business, nor are any envisaged in the immediate future.

Accounts and dividend:

The results for the year ended 31st December, 1984 are set out in the attached accounts and notes. The directors do not recommend the payment of a dividend.

Properties:

The company's investment properties are included in the balance sheet either at cost or at a directors' valuation made in December 1970, which was substantiated by a subsequent professional valuation in April 1971. The directors do not feel that the costs of an up-to-date valuation of the company's investment properties can be justified but they have carefully considered each of the properties and are of the opinion that they all have an open market value at least equal to the figure at which they are stated in the balance sheet.

Directors:

The directors who served throughout the year and who are still in office are Mr. B.S.E. Freshwater and Mr. D. Davis.

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

The directors do not have service contracts nor do either of them receive any remuneration from the company or from its subsidiaries.

Directors' interests in contracts:

Day-to-day management of the company's properties is carried out by Highdorn Co. Limited, one of the Freshwater Group of Companies with which this company is closely associated. Mr. B.S.E. Freshwater is a director of Highdorn Co. Limited and is also interested in its share capital.

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

REPORT OF THE DIRECTORS
(continued)

Directors' interests in share capital:

Out of 1,000 issued shares 649 are owned by Metropolitan Properties Company Limited. Of the remaining 351 shares Mr. B.S.E. Freshwater is beneficially interested in 162 shares and has a non-beneficial interest in a further 4 shares; other members of the Freshwater Family are interested in the remaining 185 shares.

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

Income and Corporation Taxes Act, 1970:

So far as the directors are aware, the company is a "close company" within the meaning of Section 282 of the above Act.

Auditors:

A resolution will be proposed at the forthcoming Annual General Meeting that Messrs. Cohen, Arnold & Co., Chartered Accountants, and Messrs. Peat, Marwick, Mitchell & Co., Chartered Accountants, be re-appointed joint auditors of the company and that their remuneration be determined by the directors.

By order of the board


Secretary

Freshwater House,
158/162 Shaftesbury Avenue,
London WC2H 8HR.

28 JUN 1985

The investment properties of the company are included in the accounts on the basis indicated in note 1 on accounting policies. This does not comply with the requirements of Statement of Standard Accounting Practice No.19 which requires such properties to be stated at current market value nor with the provisions of paragraph 18 of Schedule 8 of the Companies Act 1948 which requires buildings to be depreciated. However, as indicated in their report, the Directors have considered each of the properties and are of the opinion that they all have an open market value at least equal to the figure at which they are stated in the balance sheet.

Except for non-compliance with Statement of Standard Accounting Practice No.19 and paragraph 18 of Schedule 8 of the Companies Act 1948, in our opinion the accounts, which have been prepared on the basis of the accounting policies set out on pages 7 and 8, give a true and fair view of the state of affairs of the company at 31st December, 1984 and of its profit and source and application of funds for the year to that date and comply with the Companies Acts 1948 to 1981.

28 JUN 1985

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Prof. M. M. M. M.

Chartered Accountants

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1984

	Note	£'000	1984 £'000	£'000	1983 £'000
Rents and charges receivable	2	1,801		1,922	
Property outgoings	3	(1,769)		(1,905)	
Property sales			32		17
Cost of sales	1,2&4	1,210		1,317	
		(190)		(223)	
			1,020		1,094
Interest receivable	5		1,686		1,595
Administrative and other expenses	6		(2)		(520)
Interest payable	7		(2,367)		(2,152)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			369		34
Taxation	8		487		(29)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR			856		5
Extraordinary item	9		3,332		-
PROFIT AFTER TAXATION AND EXTRAORDINARY ITEM FOR THE FINANCIAL YEAR			4,188		5
Transfer to capital reserve	10		(4,052)		(1,094)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	18		136		(1,089)

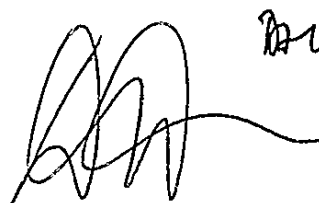
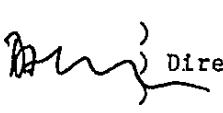
The notes on pages 7 to 18 form part of these accounts.

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

BALANCE SHEET AT 31ST DECEMBER, 1984

	<u>Note</u>	<u>£'000</u>	<u>1984</u> <u>£'000</u>	<u>£'000</u>	<u>1983</u> <u>£'000</u>
FIXED ASSETS					
Tangible assets - properties held for investment	1, 11 & 19		3,057		3,244
Investments	12		6,116		6,116
			<u>9,173</u>		<u>9,360</u>
CURRENT ASSETS					
Debtors	13	27,736		20,027	
Cash at bank and in hand		109		347	
		<u>27,845</u>		<u>20,374</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(27,343)		(25,184)	
NET CURRENT ASSETS/ (LIABILITIES)			502		(4,810)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,675</u>		<u>4,550</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15		(92)		(152)
PROVISIONS FOR LIABILITIES AND CHARGES	16		(1,089)		(29)
NET ASSETS			<u>8,494</u>		<u>4,369</u>
CAPITAL AND RESERVES					
Called up share capital	17		1		1
Revaluation reserve		912		975	
Other reserves		12,734		10,182	
Profit and loss account		<u>(5,153)</u>		<u>(6,789)</u>	
Reserves	18		8,493		4,368

The notes on pages 7 to 18 form part of these accounts.

  Directors

8,494

4,369

Accounts approved by the board of directors on 28 JUN 1985



METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST DECEMBER, 1984

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
SOURCE OF FUNDS		
Profit before taxation	369	34
Exclude:		
Surplus on sales of properties	(1,020)	(1,094)
Funds absorbed by operations other than sales of properties	<u>(651)</u>	<u>(1,060)</u>
Sales of properties (net of selling expenses £54,000 - 1983:£55,000)	1,156	1,262
Proceeds of extraordinary item	4,761	-
Consideration received for group relief	24	-
Funds generated from operations	<u>5,290</u>	<u>202</u>
APPLICATION OF FUNDS		
Expenditure on investment property	12	28
Movement in group balances	2,922	127
Reduction in long term loans	60	18
Movements in other net current assets	2,459	(884)
	<u>5,453</u>	<u>(711)</u>
(Reduction)/increase in bank balances	(163)	913
	<u>5,290</u>	<u>202</u>

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITEDNOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of preparation of the accounts:

The accounts have been prepared under the historical cost convention as adjusted by the policy of accounting for investment properties referred to in note 1(f).

(b) Sales of investment properties:

During the year the company disposed of properties which had been held as investments but which were not considered to be economic to retain. Since such sales of investment properties are expected to recur, it is company policy to include the resulting surpluses (based on the excess of net sales proceeds over cost) with the company's profits before extraordinary items and transfer such surpluses, which under the Articles of Association are not available for distribution as dividends, to capital reserve.

(c) Deferred taxation:

Deferred taxation is provided in respect of all timing differences, using the liability method, other than those where in the opinion of the directors there is no reasonable probability that a taxation liability will arise in the foreseeable future.

(d) Depreciation:

No depreciation is provided on freehold property nor on leasehold property having an unexpired term of more than fifty years. Leasehold properties having an unexpired term of less than fifty years are amortised evenly over the remaining period of the lease.

(e) Disposal of properties:

Disposals are considered to have taken place at the date of legal completion.

(f) Investment properties:

Investment properties are included in the balance sheet on the following bases:

Expenditure prior to December 1970:

- at a directors' valuation made in December 1970 which was substantiated by a subsequent professional valuation in April 1971, or
- at original cost where the valuation resulted in a diminution in value and the reasons for that diminution no longer apply.

Expenditure since December 1970:

- at cost

METROPOLITAN PROPERTIES CO. (P.C.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

1. ACCOUNTING POLICIES (continued)

(g) Foreign currencies:

Assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

2. TURNOVER

The analysis of the main sources of income and their respective contribution towards the profit for the year (before taxation and extraordinary item) is as follows:

	1984		1983	
	Turnover £'000	Profit £'000	Turnover £'000	Profit £'000
Rents and service charges receivable	1,801	30	1,922	(503)
Investment property sales	1,210	1,020	1,317	1,094
Interest receivable	1,686	1,686	1,595	1,595
	<u>4,697</u>		<u>4,834</u>	
Profit on ordinary activities before interest and taxation		2,736		2,186
Interest payable		(2,367)		(2,152)
Profit on ordinary activities before taxation		<u>369</u>		<u>34</u>

The amounts attributed to "profit" have been calculated after deducting from the relevant sources of gross income their respective direct costs and the estimated proportion of administration expenses.

3. PARTICULARS OF STAFF

The company employed an average of 38 persons during the year (1983:41 persons). The aggregate payroll costs of these persons were as follows:

	1984 £'000	1983 £'000
Wages and salaries	146	140
Social security costs	16	16
	<u>162</u>	<u>156</u>

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

4. SURPLUS ON SALES OF INVESTMENT PROPERTIES

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Transfer from reserves of surpluses on revaluation now realised (note 18)	63	77
Surplus over book value	957	1,017
	<u>1,020</u>	<u>1,094</u>

5. INTEREST RECEIVABLE

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
External interest receivable	99	15
Interest receivable from a connected company (see note 13)	91	64
Group finance charges receivable	1,496	1,516
	<u>1,686</u>	<u>1,595</u>

6. ADMINISTRATIVE AND OTHER EXPENSES

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Auditors' remuneration	25	25
(Reduction in provision)/provision against amounts due from subsidiary companies	(88)	405
Administrative, legal and professional and other expenses	65	90
	<u>2</u>	<u>520</u>

The directors received no emoluments during the year (1983: £nil).

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

7. INTEREST PAYABLE			
		1984	1983
		<u>£'000</u>	<u>£'000</u>
Loans terminating after 31st December, 1989		16	20
Bank loans and overdrafts		8	33
Group finance charges payable		2,343	2,099
		<u>2,367</u>	<u>2,152</u>
8. TAXATION			
		1984	1983
		<u>£'000</u>	<u>£'000</u>
The credit/(charge) in the profit and loss account comprises:			
Consideration payable for group relief		(102)	-
Prior year adjustment		220	-
Movement on deferred taxation account (note 16)		(1,060)	(29)
		<u>(942)</u>	<u>(29)</u>
Taxation credit relating to extraordinary item		1,429	-
		<u>487</u>	<u>(29)</u>
9. EXTRAORDINARY ITEM			
The extraordinary item arose on the sale of the company's 100% holding in a subsidiary company, Metropolitan Properties Co. (Cloisters) Limited, and is shown net of attributable taxation of £1,429,000.			
10. TRANSFER TO CAPITAL RESERVE			
		1984	1983
		<u>£'000</u>	<u>£'000</u>
Surplus on sales of investment properties (note 4)		1,020	1,094
Taxation on surplus on sales of investment properties		(300)	-
Extraordinary item (note 9)		3,332	-
		<u>4,052</u>	<u>1,094</u>

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

11. TANGIBLE ASSETS
Investment properties:

	<u>Freehold</u> <u>£'000</u>	<u>Long</u> <u>leases</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
Land and buildings:			
At directors' valuation - 1970	1,938	860	2,798
At cost	372	74	446
At 1st January, 1984	<u>2,310</u>	<u>934</u>	<u>3,244</u>
Additions	12	-	12
Disposals	(131)	(68)	(199)
At 31st December, 1984	<u>2,191</u>	<u>866</u>	<u>3,057</u>
At directors' valuation - 1970	1,811	794	2,605
At cost	380	72	452
At 31st December, 1984	<u>2,191</u>	<u>866</u>	<u>3,057</u>

The relevant amounts determined under the historical cost convention of land and buildings included in the accounts at valuation are as follows:

Cost:			
At 31st December, 1984	<u>1,140</u>	<u>509</u>	<u>1,649</u>
Cost:			
At 31st December, 1983	<u>1,229</u>	<u>552</u>	<u>1,781</u>

Included in the investment properties stated at valuation is £44,000 (1983:£41,000) which represents accumulated ground rent reversions.

Under Statement of Standard Accounting Practice No.19 investment properties should be included in the balance sheet at their open market value. The directors do not consider that the costs of a valuation for this purpose can be justified. These accounts do not therefore comply with Statement of Standard Accounting Practice No.19 and the effect of this departure cannot be quantified.

NOTES ON THE ACCOUNTS
(continued)

12. INVESTMENTS

Investment in subsidiary companies comprises:

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Shares at cost or valuation (note 20)	6,116	6,116
Disposal at cost (£100) (note 9)	—	—
	<u>6,116</u>	<u>6,116</u>

13. DEBTORS

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Rents and service charges due and accrued	683	825
Prepayments	41	39
Interest receivable from subsidiary company	418	318
Interest receivable from external sources	—	1
Interest receivable from immediate holding company	2,203	849
Amount receivable from a connected company (see below)	741	545
Interest receivable from a connected company (see below)	19	—
Other debtors	182	3
Taxation recoverable	85	65
Consideration receivable for group relief	220	24
Amounts receivable from holding and fellow subsidiary companies	23,029	13,872
Amounts receivable from subsidiary companies	115	3,486
	<u>27,736</u>	<u>20,027</u>

The connected company referred to above is Metropolitan Properties Co. (Overseas) Limited which is an associated company of an intermediate holding company. Mr. B.S.E. Freshwater and Mr. D. Davis are directors of Metropolitan Properties Co. (Overseas) Limited and Mr. B.S.E. Freshwater is also interested in its share capital. The loan bears interest at 15% per annum, is repayable on demand and is guaranteed by an intermediate holding company of Metropolitan Properties Co. (F.G.C.) Limited.

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Rents and service charges charged and paid in advance	376	339
Interest payable to subsidiary company	-	800
Creditors and accruals	450	424
Long term loan interest	1	1
Consideration payable for group relief	102	-
Bank loans and overdrafts (see below)	1	76
Mortgage advances (note 15)	23	18
Amounts payable to intermediate holding and fellow subsidiary companies	122	108
Amounts payable to subsidiary companies	26,268	23,418
	<u>27,343</u>	<u>25,184</u>

Bank loans and overdrafts include the following amounts which are secured on assets of:

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
The company	-	75

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

		<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Mortgage advances		92	152
The mortgage advances comprise the following:			
	Interest rate %	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
Instalment mortgages			
1985/96	*11.88	115	170
Amounts repayable prior to 1st January, 1986 (note 14)		(23)	(18)
		<u>92</u>	<u>152</u>
Amount secured		<u>115</u>	<u>170</u>

The securities given comprise charges on properties and guarantees.

NOTES ON THE ACCOUNTS
(continued)

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)
* The interest rates are either fixed or vary according to bank base rate or building society rate. The weighted average for the year is shown.

The loans are repayable as follows:

	1984 £'000	1983 £'000
Within a year		
1-2 years	23	18
2-5 years	26	20
After 5 years (see below)	66	78
	-	54
	<u>115</u>	<u>170</u>

As referred to above the loans are repayable by instalments ending in 1996 however as the company has continued to make repayments of principal upon the original agreed terms but has repaid a major part of the liability from the proceeds of the disposals of the security charged, it is anticipated that such final redemption will be prior to 31st December, 1989.

16. PROVISION FOR LIABILITIES AND CHARGES

	Deferred taxation provision £'000
Balance at 1st January, 1984	29
Movement during the year	1,060
Balance at 31st December, 1984	<u>1,089</u>

The deferred taxation position at 31st December, 1984 is as follows:

	1984 Potential £'000	1984 Provided £'000	1983 Potential £'000	1983 Provided £'000
Interest accrued	1,089	1,089	170	170
Capital allowances	109	-	108	-
Unrealised surpluses on revaluation of property	192	-	292	-
Losses	-	-	(141)	(141)
	<u>1,390</u>	<u>1,089</u>	<u>429</u>	<u>29</u>

No provision has been made for corporation tax on the eventual disposal of certain assets on which capital allowances have been claimed as in the opinion of the directors there is no reasonable probability that a taxation liability will arise in the foreseeable future.

No provision has been made for any liability that may arise in respect of taxation relating to surpluses on revaluation of investment properties as in the opinion of the directors these properties are held for long-term investment purposes and consequently any liability will be recognised when disposals take place.

NOTES ON THE ACCOUNTS
(continued)

17. SHARE CAPITAL

Ordinary shares of £1 each: Authorised, issued and fully paid at 31st December, 1984 and 1983	<u>Number</u>	<u>£</u>
	1,000	1,000

18. RESERVES

<u>Revaluation reserve:</u>	<u>£'000</u>	<u>£'000</u>
At 1st January, 1984	975	
Transfer to profit and loss account of surpluses on prior years' revaluation of investment properties now realised (note 4)	(63)	
At 31st December, 1984		912
<u>Other reserve:</u>		
Capital reserve :		
At 1st January, 1984	10,182	
Transfer to profit and loss account:		
Taxation on surpluses on sales of investment properties in earlier accounting periods, previously charged to profit and loss account	(1,500)	
	8,682	
Transfer from profit and loss account	4,052	
At 31st December, 1984		12,734
<u>Profit and loss account:</u>		
Adverse balance:		
At 1st January, 1984	(6,789)	
Credit for taxation on surpluses on sales of investment properties in earlier accounting periods, now charged to capital reserve	1,500	
	(5,289)	
Profit for the year after transfer to capital reserve	136	
At 31st December, 1984		(5,153)
		<u>8,493</u>

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

NOTES ON THE ACCOUNTS
(continued)

19. CHARGES ON ASSETS AND GUARANTEES

Properties with book values at 31st December, 1984 £2,381,000 (1983:£2,423,000) were charged as part security for the following loans from third parties to:

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
The company		
Immediate holding company	115	246
Subsidiary company	8,401	13,581
	102	102
	<u>8,618</u>	<u>13,929</u>

In addition, guarantees have been given in respect of:

	<u>1984</u> <u>£'000</u>	<u>1983</u> <u>£'000</u>
(i) Loans included in the above totals amounting to	2,519	7,533
(ii) Another loan to the immediate holding company, not secured on assets of of this company amounting to	-	237
	<u>2,519</u>	<u>7,770</u>

At 31st December, 1984 there was a legal claim outstanding against the company which was made by a former director of a subsidiary in 1975 and which amounted to £363,000. The directors and legal advisors of the company consider that this claim has no foundation whatsoever and accordingly no provision has been made in the accounts. The company made a counter-claim in 1975 against the former director which was still outstanding at 31st December, 1984 and which amounted to £245,000.

NOTES ON THE ACCOUNTS
(continued)

20. SUBSIDIARY COMPANIES

The subsidiary companies which principally affected the results or assets of the group are shown below:

Investment company:

E. Alec Colman Investments Limited

Property investment companies:

Calabar Properties Limited
Calabar (Wellingborough) Limited
Calabar (Woolwich) Limited
Deritend Investments (Birkdale) Limited
Deritend Investments (Cheetham) Limited
K.S. Investments Limited
Metropolitan Properties Co. (Colman) Limited
Philcol Properties Limited
Savile Estates Limited
Westhampton Properties Limited

Property trading companies:

Arthur Llewellyn Limited
Calabar Developments Limited
Calabar Estates Limited
Calabar (Flats) Limited
Deritend Investments (Crumpsall) Limited
Derno Estates Limited
Ediscum Limited
Henry Davies Developments Limited
Metropolitan Properties Co. (Regis) Limited
Metropolitan Property Realizations Limited
Norman Sinclair (Manchester) Limited

All the above companies are wholly owned and incorporated in Great Britain and registered in England.

No consolidated accounts have been prepared as throughout the year the company was a wholly owned subsidiary of another body corporate, incorporated in Great Britain.

Profits (less losses) of subsidiary companies all of which have not been dealt with in the accounts of the company were as follows:

Financial periods of subsidiaries ending with	
or during the year ended 31st December, 1984	(£2,100,932)
Previous financial periods since acquisition	<u>(2,332,076)</u>

The share capital, together with revenue and	
capital reserves of the subsidiaries at	
31st December, 1984 aggregated	<u>£5,088,129</u>

In the opinion of the directors the aggregate investment in subsidiary companies is worth not less than the amount at which it is stated in the balance sheet.

NOTES ON THE ACCOUNTS
(continued)

21. DIRECTORS' INTERESTS IN CONTRACTS

Day-to-day management of the company's properties is carried out by Highdorn Co. Limited, one of the Freshwater Group of Companies with which this group is closely associated. Mr. B.S.E. Freshwater is a director of Highdorn Co. Limited and is also interested in the share capital of that company.

During the year £227,000 (1983:£234,000) including VAT, was paid to Highdorn Co. Limited for the full range of management and administration services which were charged for at normal commercial rates.

22. TRANSACTIONS BETWEEN GROUP COMPANIES

General arrangements exist within the group of companies controlled by the ultimate holding company for the transfer of funds and properties as a part of the normal operations of the group.

23. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Linnet Limited, a company incorporated in the Isle of Man and controlled by trusts.

METROPOLITAN PROPERTIES CO. (F.G.C.) LIMITED

PROPERTY REVENUE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1984

	<u>1984</u>	<u>1983</u>
Rent receivable	£1,436,107	£1,431,834
Service charges receivable	365,324	490,708
	<u>1,801,431</u>	<u>1,922,542</u>
Property outgoings:		
Ground rent	£146,410	£145,918
General rates	108,544	81,210
Water rates	5,936	3,209
Insurances	58,225	60,074
Light and heat	172,583	319,813
Porterage and cleaning	215,915	205,990
Repairs and maintenance	753,758	794,150
Legal and professional fees	57,949	41,678
Letting commission	54,519	63,678
Management commission	<u>195,340</u>	<u>189,704</u>
	(1,769,179)	(1,905,424)
NET PROPERTY REVENUE	<u>£ 32,252</u>	<u>£ 17,118</u>

METROPOLITAN PROPERTIES CO. (P.A.C.) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1984

	<u>1984</u>	<u>1983</u>
Rents and charges receivable	£1,801,431	£1,822,542
Property outgoings	(1,769,179)	(1,805,424)
	£ 32,252	£ 17,118
Property sales	£1,209,775	£1,317,024
Cost of sales	(189,751)	(223,173)
	1,020,024	1,093,851
Interest receivable	1,686,204	1,595,351
Administrative and other expenses	(1,721)	(520,447)
Interest payable	(2,366,854)	(2,152,195)
PROFIT ON ORDINARY		
ACTIVITIES BEFORE TAXATION	369,905	33,678
Taxation	487,000	(29,000)
PROFIT ON ORDINARY		
ACTIVITIES AFTER TAXATION		
FOR THE FINANCIAL YEAR	856,905	4,678
Extraordinary item	3,332,068	-
PROFIT AFTER TAXATION AND		
EXTRAORDINARY ITEM FOR THE		
FINANCIAL YEAR	4,188,973	4,678
Transfer to capital reserve	(4,052,092)	(1,093,851)
	136,881	(1,089,173)
Adverse balance brought		
forward	(5,289,698)	(5,700,525)
ADVERSE BALANCE CARRIED FORWARD	(25,152,817)	(26,789,698)