

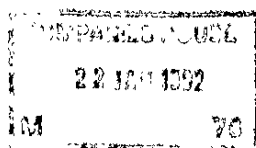
891786

FRESHWATER PROPERTY MANAGEMENT LIMITED

(REGISTERED NUMBER 891786)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1991



COHEN, ARNOLD & CO  
CHARTERED ACCOUNTANTS  
LONDON, W1

FRESHWATER PROPERTY MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Annual Report together with the audited Accounts of the Company for the year ended 31 March 1991.

Business Review:

The principal activity of the Company is that of property management. The financial results of the Company's activities for the year ended 31 March 1991 are fully reflected in the attached Accounts together with the Notes thereon.

The Directors do not recommend the payment of a Dividend for the year under review.

Directors:

The Directors of the Company who served throughout the year are:

Mr B S E Freshwater, Mr L Stempel, Mr S I Freshwater,  
Mr D R Hodges, Mr H E Severn, and Mr D G Weaver.

The Articles of Association do not require the Directors to retire by rotation. No Director has a Service Contract, nor do any of them receive emoluments from the Company.

Interests in Share Capital:

The whole of the Issued Share Capital of the Company is owned by Mayfair Charities Limited, a Company registered in Great Britain and incorporated in England for Charitable purposes. Mr B S E Freshwater is a Governor of the Holding Undertaking but does not have any beneficial interest therein nor in this Company.

Taxation Status:

So far as the Directors are aware, the Company is a "close company" within the meaning of the provisions of Section 414 Taxes Act 1988.

Charitable Donations:

As referred to in Note 6 on the Accounts, no payment was required to be made during the year under review in respect of the Deed of Covenant executed in favour of its Holding Undertaking, Mayfair Charities Limited, on the 18th March 1985.

FRESHWATER PROPERTY MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

(Continued)

Auditors:

A Resolution will be proposed at the Annual General Meeting that Messrs. Cohen. Arnold & Co., Chartered Accountants, are to be re-appointed Auditors of the Company and their remuneration is to be determined by agreement with the Directors.

BY ORDER OF THE BOARD

  
C.C. MORSE  
SECRETARY

HEAD OFFICE  
FRESHWATER HOUSE  
158 - 162 SHAFTESBURY AVENUE  
LONDON WC2H 9HR

21 DEC 1991

AUDITORS' REPORT TO THE MEMBERS  
OF  
FRESHWATER PROPERTY MANAGEMENT LIMITED

We have audited the Financial Statements set out on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company at 31 March 1991 and of the profit and Source and Application of Funds for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

LONDON

21 DEC 1991



COHEN, ARNOLD & CO  
Chartered Accountants

FRESHWATER PROPERTY MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1991

	<u>NOTE</u>	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Commissions Receivable	2	806,300	752,653
Interest Receivable	3	189,958	55,948
		<hr/>	<hr/>
		996,258	808,601
Administrative Expenses	4	(569,105)	(454,699)
Interest Payable	5	(43,495)	(42,395)
Reduction in Provision for Bad and Doubtful Debts		8,915	8,395
		<hr/>	<hr/>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		392,573	319,902
Taxation on Profit on Ordinary Activities	7	(102,000)	(105,504)
		<hr/>	<hr/>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR</u>		290,573	214,398
Retained Profit Brought Forward		364,619	150,221
		<hr/>	<hr/>
<u>RETAINED PROFIT CARRIED FORWARD</u>		<u>£655,192</u>	<u>£364,619</u>

The Notes on pages 7 to 10 form part of these Accounts.

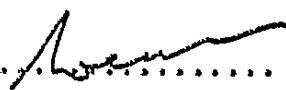
FRESHWATER PROPERTY MANAGEMENT LIMITED

BALANCE SHEET AS AT 31 MARCH 1991

	<u>NOTE</u>	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
<u>CURRENT ASSETS</u>			
Debtors	8	5,081,393	5,206,108
Cash at Bank		174,029	29,198
		<u>5,255,422</u>	<u>5,235,306</u>
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>			
	9	<u>(4,600,130)</u>	<u>(4,870,587)</u>
<u>NET ASSETS</u>		<u>£655,292</u>	<u>£364,719</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	10	100	100
Profit and Loss Account		<u>655,192</u>	<u>364,619</u>
		<u>£655,292</u>	<u>£364,719</u>

The Notes on pages 7 to 10 form part of these Accounts.

.....

..... DIRECTORS

The Accounts approved by the Board of Directors on 21 DEC 1991

FRESHWATER PROPERTY MANAGEMENT LIMITED

SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31 MARCH 1991

	<u>1991</u>	<u>1990</u>
	<u>£</u>	<u>£</u>
<u>SOURCE OF FUNDS</u>		
Profit for the year before Taxation, being funds generated from operations	<u>£392,573</u>	<u>£319,902</u>
<u>APPLICATION OF FUNDS</u>		
Taxation Paid	504	57,626
<u>Increase In Net Working Capital</u>		
(Decrease)/Increase in Debtors	(124,715)	654,300
Decrease/(Increase) in Creditors falling due within one year	<u>414,878</u>	<u>(320,131)</u>
	290,163	334,169
<u>Movements in Net Liquid Funds</u>		
Increase/(Reduction) in Cash at Bank	144,831	(125,860)
(Increase)/Reduction in Bank Overdrafts	<u>(42,925)</u>	<u>53,967</u>
	101,906	(71,893)
	<u>£392,573</u>	<u>£319,902</u>

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

The following accounting policy has been used consistently in the preparation of the Company's Accounts.

Basis of Accounting:

The Accounts have been prepared under the Historical Cost Convention.

2. TURNOVER

The turnover of the Company is mainly derived from its Property Management activities.

3. INTEREST RECEIVABLE

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Int. rest Receivable from		
Fellow Subsidiary Undertakings	169,762	41,083
External Interest Receivable	8,626	830
Bank Deposit Interest Receivable	11,570	14,035
	<u>£189,958</u>	<u>£55,948</u>

4. ADMINISTRATIVE EXPENSES

The Administrative Expenses charged in the Profit and Loss Account are comprised as follows:

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Auditors' Remuneration	4,500	4,500
Management and Administration Charges	564,000	450,000
Legal and Professional Charges	605	199
	<u>£569,105</u>	<u>£454,699</u>



FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES ON THE ACCOUNTS

5. INTEREST PAYABLE

The aggregate charge for interest payable is comprised as follows:

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Bank Charges and Interest	43,495	37,943
Interest on Overdue Taxation	-	4,452
	<u>£43,495</u>	<u>£42,395</u>

6. PAYMENTS UNDER DEED OF COVENANT

In March 1985 the Company entered into a Deed of Covenant providing for an annual payment equal to the chargeable profits as computed for taxation purposes.

No payment was made during the year on the basis of losses to be surrendered by a fellow subsidiary undertaking for the period under review.

As stated in the Directors' Report the Deed of Covenant is in favour of the holding undertaking, Mayfair Charities Limited, a registered charity, of which Mr B S E Freshwater is a Governor.

7. TAXATION

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Corporation Tax: adjustment in respect of prior accounting periods	-	504
Consideration Payable for Group Relief		
Current Year	102,000	96,000
Prior Year Adjustment	-	9,000
	<u>£102,000</u>	<u>£105,504</u>

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES ON THE ACCOUNTS

8. DEBTORS

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Amounts Due From Holding Undertaking	29,343	-
Amounts Due From Fellow Subsidiary Undertakings (See below)	2,086,208	1,541,300
Interest Receivable	122,755	41,083
Taxation Recoverable	37,374	12,874
Other Debtors (See below)	2,475,713	3,610,851
Loan Debtors	330,000	-
	<hr/>	<hr/>
	£5,081,393	£5,206,108
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The major portion of Other Debtors is represented by amounts due from Companies, certain Directors of which are also Directors of this Company: the amounts due are on Current Account and are interest-free and repayable on demand.

Amounts Due From Fellow Subsidiary Undertakings includes an amount of £1,635,000 (1990: £1,090,000) which bears interest at a rate geared to Bankers Base Rate and is effectively repayable on demand.

Loan Debtors are represented by amounts due from Companies, certain Directors of which are also Directors of this Company: the amounts due bear interest at a rate geared to Bankers Base Rate and are effectively repayable on demand.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
Corporation Tax	1,100	1,604
Consideration Payable for Group Relief (Note 7)	277,000	175,000
Bank Loans and Overdrafts	46,399	3,474
Other Creditors and Accruals	4,275,631	4,690,509
	<hr/>	<hr/>
	£4,600,130	£4,870,587
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FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES ON THE ACCOUNTS

10. CALLED UP SHARE CAPITAL

Authorised, Issued and Fully paid: At 31 March 1991 and 31 March 1990:	<u>Number</u>	<u>£</u>
Ordinary Shares of £1 each	100	100

11. CONTINGENT LIABILITIES

The Company has entered into a joint and several unlimited guarantee in respect of Bank Overdraft facilities granted to itself and Companies in which one of the Directors of this Company is also a Director. The facilities utilised at 31 March 1991 amounted to £759,000 (1990: £39,000).

12. ULTIMATE HOLDING UNDERTAKING

The Company's Ultimate Holding Undertaking is Mayfair Charities Limited a Company incorporated in England for Charitable purposes.