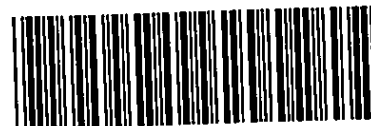


COMPANY REGISTRATION NUMBER 891786

FRESHWATER PROPERTY MANAGEMENT LIMITED
FINANCIAL STATEMENTS
31 MARCH 2012

THURSDAY



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COMPANIES HOUSE

COHEN ARNOLD
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

FRESHWATER PROPERTY MANAGEMENT LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2012

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FRESHWATER PROPERTY MANAGEMENT LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr B S E Freshwater Mr S I Freshwater Mr L Stempel
Company secretary	Mr M R M Jenner F C I S
Registered office	Freshwater House 158-162 Shaftesbury Avenue London WC2H 8HR
Auditor	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road London NW11 0PU

FRESHWATER PROPERTY MANAGEMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2012

PRINCIPAL ACTIVITIES

The principal activity of the company is that of property management, which has remained unchanged during the year and no change is envisaged in the immediate future

DIRECTORS

The directors who served the company during the year were as follows

Mr B S E Freshwater

Mr S I Freshwater

Mr L Stempel

The Articles of Association do not require the directors to retire by rotation. The directors do not have service contracts nor do they receive any emoluments from the company

DIRECTORS' INTERESTS

Almost all of the commissions receivable is derived from management activities undertaken by the company in respect of properties owned by companies with which this company is closely associated. Mr B S E Freshwater is a director of those companies and he together with members of his family are indirectly interested in their share capital

Management services are provided by Highdorn Co Limited, one of the Freshwater Group of Companies, with which this company is closely associated. The directors of the company are directors of Highdorn Co Limited and Mr B S E Freshwater also has a non-beneficial interest in its 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 of which Mr B S E Freshwater and Mr S I Freshwater are governors

The directors do not have any beneficial interest in the share capital of the company, its parent undertaking or any subsidiary of the parent undertaking

DONATIONS

The financial statements include charitable donations under Gift Aid of £234,000 (2011 - £221,000) in favour of the company's parent undertaking, Mayfair Charities Limited

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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,

FRESHWATER PROPERTY MANAGEMENT LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Cohen Arnold are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office
Freshwater House
158-162 Shaftesbury Avenue
London
WC2H 8HR

Signed by order of the directors



MR M R M JENNER F C I S
Company Secretary

Approved by the directors on 10 January 2013

FRESHWATER PROPERTY MANAGEMENT LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
FRESHWATER PROPERTY MANAGEMENT LIMITED

YEAR ENDED 31 MARCH 2012

We have audited the financial statements of Freshwater Property Management Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

FRESHWATER PROPERTY MANAGEMENT LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
FRESHWATER PROPERTY MANAGEMENT LIMITED *(continued)*

YEAR ENDED 31 MARCH 2012

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



JOSHUA NEUMANN (Senior Statutory Auditor)

For and on behalf of
COHEN ARNOLD
Chartered Accountants
& Statutory Auditor

New Burlington House
1075 Finchley Road
London
NW11 0PU

10 January 2013

FRESHWATER PROPERTY MANAGEMENT LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2012

		2012 £	2011 £
TURNOVER	Note 2	907,204	801,856
Administrative Expenses		<u>(782,303)</u>	<u>(820,899)</u>
OPERATING PROFIT/(LOSS)	3	124,901	(19,043)
Interest Receivable		128,433	159,108
Interest Payable and Similar Charges		<u>(42,982)</u>	<u>(26,022)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		210,352	114,043
Tax on Profit on Ordinary Activities	4	<u>(12,000)</u>	<u>(18,000)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>198,352</u>	<u>96,043</u>

The notes on pages 8 to 11 form part of these financial statements

FRESHWATER PROPERTY MANAGEMENT LIMITED

BALANCE SHEET

31 MARCH 2012

	Note	2012 £	£	2011 £	£
CURRENT ASSETS					
Debtors	5	8,210,129		6,354,803	
Cash at Bank		<u>4,915,088</u>		<u>10,063,650</u>	
		13,125,217		16,418,453	
CREDITORS: Amounts falling due within one year	6	<u>(11,375,684)</u>		<u>(14,867,272)</u>	
NET CURRENT ASSETS			1,749,533		1,551,181
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,749,533</u>		<u>1,551,181</u>
CAPITAL AND RESERVES					
Called-Up Equity Share Capital	8		100		100
Profit and Loss Account	9		1,749,433		1,551,081
SHAREHOLDERS' FUNDS			<u>1,749,533</u>		<u>1,551,181</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 10 January 2013 and are signed on their behalf by



MR B S E FRESHWATER

Director

Company Registration Number 891786

The notes on pages 8 to 11 form part of these financial statements.

FRESHWATER PROPERTY MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

The turnover of the company is derived from its property management activities

Current taxation

Provision is made for consideration payable to or receivable from other group undertakings for the surrender of losses under group relief provisions

Deferred taxation

Deferred tax is provided in accordance with FRSSE in the Financial Statements Under FRSSE full provision is made in respect of all timing differences that have originated but not reversed by the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in future Deferred tax assets are recognised to the extent that they are considered recoverable

Deferred tax is measured on a non-discounted basis at the tax rates that apply at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. TURNOVER

The turnover of the company is derived from its property management activities

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging

	2012	2011
	£	£
Auditor's fees	<u>11,800</u>	<u>11,900</u>

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
Consideration payable for group relief	17,000	28,000
Total current tax	17,000	28,000
Deferred tax		
Origination and reversal of timing differences	(5,000)	(10,000)
Tax on profit on ordinary activities	12,000	18,000

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2011 - 28%)

	2012 £	2011 £
Profit on ordinary activities before taxation	210,352	114,043
Profit on ordinary activities by rate of tax	54,691	31,932
Reduction in disallowed provision	(37,578)	(3,930)
Other differences	(113)	(2)
Total current tax (note 4(a))	17,000	28,000

5. DEBTORS

	2012 £	2011 £
Amounts owed by group undertakings	469,646	652,168
Other debtors	7,740,483	5,702,635
	8,210,129	6,354,803

Other debtors include amounts totalling £688,000 (2011 - £688,000) due from companies of which certain directors are also directors of the company. The amounts due bear interest at both fixed rates and rates geared to Bankers Base Rate and are all effectively repayable on demand.

Other debtors also include amounts totalling £6,722,866 (2011 - £4,483,666) due from companies of which Mr B S E Freshwater, a director of this company, is also a director. The amounts due are on current account, are interest-free and effectively repayable on demand.

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

6. CREDITORS: Amounts falling due within one year

	2012		2011
	£	£	£
Amounts owed to group undertakings		1,669,230	108,343
Other creditors including taxation			
Consideration payable for group relief	17,000		28,000
Deferred taxation	55,000		60,000
VAT	21,363		25,814
Other creditors and accruals	<u>9,613,091</u>		<u>14,645,115</u>
		<u>9,706,454</u>	<u>14,758,929</u>
		<u>11,375,684</u>	<u>14,867,272</u>

Other creditors and accruals include amounts totalling £7,545,737 (2011 - £12,423,116) due to companies of which Mr B S E Freshwater, a director of this company, is also a director. The amounts due are on current account, are interest-free and effectively repayable on demand.

7. RELATED PARTY TRANSACTIONS

No transactions with related parties other than those disclosed in the financial statements were undertaken such as are required to be disclosed under FRSSE.

8. SHARE CAPITAL

Allotted, called up and fully paid:

	2012		2011
	No	£	No
	100	100	100
100 Ordinary shares of £1 each			

9. PROFIT AND LOSS ACCOUNT

	2012	2011
	£	£
Balance brought forward	1,551,081	1,455,038
Profit for the financial year	<u>198,352</u>	<u>96,043</u>
Balance carried forward	<u>1,749,433</u>	<u>1,551,081</u>

10. DIRECTORS' INTERESTS IN CONTRACTS

Almost all of the commissions receivable is derived from management activities undertaken by the company in respect of properties owned by companies with which this company is closely associated. Mr B S E Freshwater is a director of those companies and he together with members of his family are indirectly interested in their share capital.

Management services are provided by Highdorn Co Limited, one of the Freshwater Group of Companies, with which this company is closely connected. Mr B S E Freshwater is a director of Highdorn Co Limited and also has a non-beneficial interest in its share capital. The other directors are also directors of Highdorn Co Limited but do not have any interest in its share capital.

All of the above commissions receivable and the management and administration charge payable to Highdorn Co Limited were for a full range of management and administrative services which were charged for at normal commercial rates.

FRESHWATER PROPERTY MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2012

11. CONTINGENT LIABILITIES

The company has given unlimited guarantees in respect of bank loan and overdraft facilities granted to companies in which Mr B S E Freshwater is a director and in which he has either a beneficial or non-beneficial interest. The amounts outstanding at 31 March 2012 amounted to £38,954 (2011 - £110,678)

12. ULTIMATE PARENT COMPANY

The company is controlled by its parent undertaking, Mayfair Charities Limited, a company incorporated in England for charitable purposes. Mayfair Charities Limited does not have a controlling party.

FRESHWATER PROPERTY MANAGEMENT LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2012

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 5**

FRESHWATER PROPERTY MANAGEMENT LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
TURNOVER	907,204	801,856
OVERHEADS		
Administrative Expenses	<u>(782,303)</u>	<u>(820,899)</u>
OPERATING PROFIT/(LOSS)	124,901	(19,043)
Interest Receivable	<u>128,433</u>	<u>159,108</u>
	253,334	140,065
Bank interest payable	<u>(42,982)</u>	<u>(26,022)</u>
PROFIT ON ORDINARY ACTIVITIES	<u>210,352</u>	<u>114,043</u>

FRESHWATER PROPERTY MANAGEMENT LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2012

	2012		2011	
	£	£	£	£
ADMINISTRATIVE EXPENSES				
General expenses				
Donations	234,000		221,000	
General expenses	35		35	
Management charges payable	681,000		602,000	
Auditors remuneration	<u>11,800</u>		<u>11,900</u>	
		926,835		834,935
Financial costs				
Provision for doubtful debts		(144,532)		(14,036)
		<u>782,303</u>		<u>820,899</u>
INTEREST RECEIVABLE				
Bank interest receivable		66,906		107,253
Loan interest receivable		<u>61,527</u>		<u>51,855</u>
		<u>128,433</u>		<u>159,108</u>