

**COMPANY REGISTRATION NUMBER 891786**

**FRESHWATER PROPERTY MANAGEMENT LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2013**



**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 2013**

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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**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2013**

The directors present their report and the financial statements of the company for the year ended 31 March 2013

### **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.

### **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 year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

# **FRESHWATER PROPERTY MANAGEMENT LIMITED**

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2013**

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.

### **DONATIONS**

The financial statements include charitable donations under Gift Aid of £261,000 (2012 - £234,000) in favour of the company's parent undertaking, Mayfair Charities Limited.

### **AUDITOR**

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

Each of the persons who is a director at the date of approval of this report confirm that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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

Signed by order of the directors



MR M R M JENNER F C L S  
Company Secretary

Approved by the directors on . 21/11/13 .

**FRESHWATER PROPERTY MANAGEMENT LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**FRESHWATER PROPERTY MANAGEMENT LIMITED**  
**YEAR ENDED 31 MARCH 2013**

We have audited the financial statements of Freshwater Property Management Limited for the year ended 31 March 2013 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 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 the 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 2013 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 MATTER 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 2013**

**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

21/1/13

**FRESHWATER PROPERTY MANAGEMENT LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2013**

		2013 £	2012 £
<b>TURNOVER</b>	Note <b>2</b>	<b>1,020,376</b>	<b>907,204</b>
Administrative Expenses		<u><b>(1,038,485)</b></u>	<u><b>(782,303)</b></u>
<b>OPERATING (LOSS)/PROFIT</b>	<b>3</b>	<b>(18,109)</b>	<b>124,901</b>
Interest Receivable		<b>92,227</b>	<b>128,433</b>
Interest Payable and Similar Charges		<u><b>(23,797)</b></u>	<u><b>(42,982)</b></u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>50,321</b>	<b>210,352</b>
Tax on Profit on Ordinary Activities	<b>4</b>	<u><b>(10,000)</b></u>	<u><b>(12,000)</b></u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>40,321</b></u>	<u><b>198,352</b></u>

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



# FRESHWATER PROPERTY MANAGEMENT LIMITED

## BALANCE SHEET

31 MARCH 2013

	Note	2013 £	2012 £
<b>CURRENT ASSETS</b>			
Debtors	5	16,544,236	8,210,129
Cash at Bank		<u>8,198,398</u>	<u>4,915,088</u>
		24,742,634	13,125,217
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>(22,952,780)</u>	<u>(11,375,684)</u>
<b>NET CURRENT ASSETS</b>		<b>1,789,854</b>	<b>1,749,533</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>1,789,854</u></b>	<b><u>1,749,533</u></b>
<b>CAPITAL AND RESERVES</b>			
Called-Up Equity Share Capital	8	100	100
Profit and Loss Account	9	<u>1,789,754</u>	<u>1,749,433</u>
<b>SHAREHOLDERS' FUNDS</b>		<b><u>1,789,854</u></b>	<b><u>1,749,533</u></b>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved by the shareholders and authorised for issue on 21/1/13, 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 2013**

**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

**Cash flow statement**

The company is exempt from the requirement to prepare a cash flow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) on the grounds that it is a wholly-owned subsidiary undertaking of a parent undertaking registered in England and Wales which prepares consolidated financial statements that include a consolidated cash flow statement

**Related parties transactions**

The company has taken advantage of the exemptions in the Financial Reporting Standard for Smaller Entities (effective April 2008) in order to dispense with the requirement to disclose transactions with other companies in the Mayfair Charities Limited group

**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**

In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), 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 (LOSS)/PROFIT**

Operating (loss)/profit is stated after charging

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Auditor's fees	<b><u>12,300</u></b>	<b><u>11,800</u></b>

**FRESHWATER PROPERTY MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**4. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2013 £	2012 £
Current tax		
Consideration payable for group relief	<u>12,000</u>	<u>17,000</u>
Total current tax	<u>12,000</u>	<u>17,000</u>
Deferred tax		
Origination and reversal of timing differences	<u>(2,000)</u>	<u>(5,000)</u>
Tax on profit on ordinary activities	<u>10,000</u>	<u>12,000</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year differs from tax at the standard rate of corporation tax in the UK of 24% (2012 - 26%) as follows:

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>50,321</u>	<u>210,352</u>
Profit on ordinary activities by rate of tax	12,077	54,691
Reduction in disallowed provision	-	(37,578)
Other differences	<u>(77)</u>	<u>(113)</u>
Total current tax (note 4(a))	<u>12,000</u>	<u>17,000</u>

**5. DEBTORS**

	2013 £	2012 £
Amounts owed by group undertakings	630,656	469,646
Other debtors	<u>15,913,580</u>	<u>7,740,483</u>
	<u>16,544,236</u>	<u>8,210,129</u>

Other debtors include amounts totalling £688,000 (2012 - £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 £14,693,587 (2012 - £6,722,866) 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 2013

### 6. CREDITORS: Amounts falling due within one year

	2013		2012
	£	£	£
Amounts owed to group undertakings		1,692,758	1,669,230
Other creditors including taxation			
Consideration payable for group relief	12,000		17,000
Deferred taxation	53,000		55,000
VAT	16,854		21,363
Other creditors and accruals	21,178,168		9,613,091
		<u>21,260,022</u>	<u>9,706,454</u>
		<u>22,952,780</u>	<u>11,375,684</u>

Other creditors and accruals include amounts totalling £20,950,131 (2012 - £7,545,737) 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 the Financial Reporting Standard for Smaller Entities (effective April 2008)

### 8. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012
	No	£	No
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>

### 9. PROFIT AND LOSS ACCOUNT

	2013		2012
	£		£
Balance brought forward	1,749,433		1,551,081
Profit for the financial year	40,321		198,352
Balance carried forward	<u>1,789,754</u>		<u>1,749,433</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 2013**

**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 2013 amounted to £42,187 (2012 - £38,954)

**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