

COMPANY REGISTRATION NUMBER: 891786

FRESHWATER PROPERTY MANAGEMENT LIMITED
FINANCIAL STATEMENTS
31 MARCH 2019



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 2019

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FRESHWATER PROPERTY MANAGEMENT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements of the company for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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 of the company do not require the directors to retire by rotation. None of the directors have a service contract with the company.

The majority of the day-to-day management of the company's operations is carried out by Highdorn Co. Limited. Mr B S E Freshwater is a director of Highdorn Co. Limited and has no beneficial interest in the share capital of that company.

RESULTS AND DIVIDENDS

The results for the year are set out in the attached profit and loss account and explanatory notes. The financial position of the company at the year end is set out in the attached balance sheet and explanatory notes.

The company did not pay a dividend in the year (2018: £nil). The director does not propose a final dividend for the year (2018: £nil).

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

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.

FRESHWATER PROPERTY MANAGEMENT LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2019

DONATIONS

The financial statements include charitable donations under Gift Aid of £135,000 (2018: £nil) in favour of the company's parent undertaking, Mayfair Charities Limited.

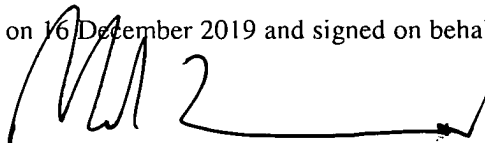
AUDITOR

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 16 December 2019 and signed on behalf of the board by:



M R M Jenner, F.C.I.S.
Company Secretary

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

FRESHWATER PROPERTY MANAGEMENT LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESHWATER
PROPERTY MANAGEMENT LIMITED
YEAR ENDED 31 MARCH 2019

OPINION

We have audited the financial statements of Freshwater Property Management Limited (the 'company') for the year ended 31 March 2019 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

THE IMPACT OF UNCERTAINTIES DUE TO BRITAIN EXITING THE EUROPEAN UNION ON OUR AUDIT

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and the appropriateness of the going concern basis of preparation of the financial statements. These depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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

YEAR ENDED 31 MARCH 2019

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

YEAR ENDED 31 MARCH 2019

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 from the requirement to prepare a strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

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

YEAR ENDED 31 MARCH 2019

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

This report is made solely to the company's members, 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 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.



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

16 December 2019

FRESHWATER PROPERTY MANAGEMENT LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
TURNOVER	4	980,370	903,868
GROSS PROFIT		<u>980,370</u>	<u>903,868</u>
Administrative expenses		<u>(732,388)</u>	<u>(692,198)</u>
OPERATING PROFIT	5	247,982	211,670
Interest receivable and similar income		<u>142,282</u>	<u>105,621</u>
Interest payable and similar expenses	7	<u>(13,175)</u>	<u>(9,684)</u>
PROFIT BEFORE TAXATION		377,089	307,607
Tax on profit	8	<u>(55)</u>	<u>(33,007)</u>
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		<u>377,034</u>	<u>274,600</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

FRESHWATER PROPERTY MANAGEMENT LIMITED

BALANCE SHEET

31 MARCH 2019

	Note	2019 £	£	2018 £	£
CURRENT ASSETS					
Debtors	9	1,495,900		13,145,525	
Cash at bank and in hand		<u>10,686,891</u>		<u>14,041,285</u>	
		12,182,791		27,186,810	
CREDITORS: amounts falling due within one year					
	10	<u>(9,432,132)</u>		<u>(24,678,185)</u>	
NET CURRENT ASSETS			<u>2,750,659</u>		<u>2,508,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,750,659</u>		<u>2,508,625</u>
CAPITAL AND RESERVES					
Called up share capital	11		100		100
Profit and loss account	12		<u>2,750,559</u>		<u>2,508,525</u>
TOTAL EQUITY			<u>2,750,659</u>		<u>2,508,625</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 16 December 2019, and are signed on behalf of the board by:

B S E Freshwater
Director

Company registration number: 891786

The notes on pages 10 to 15 form part of these financial statements.

FRESHWATER PROPERTY MANAGEMENT LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2019

	Called up share capital £	Profit and loss account £	Total £
AT 1 APRIL 2017	100	2,233,925	2,234,025
Profit for the year	—	274,600	274,600
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	274,600	274,600
AT 31 MARCH 2018	100	2,508,525	2,508,625
Profit for the year	—	377,034	377,034
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	377,034	377,034
Distribution - Gift Aid	—	(135,000)	(135,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	(135,000)	(135,000)
AT 31 MARCH 2019	100	2,750,559	2,750,659

The notes on pages 10 to 15 form part of these financial statements.

FRESHWATER PROPERTY MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

1. GENERAL INFORMATION

Freshwater Property Management Limited (the "Company") is a company limited by shares and incorporated in the UK. The Company's Registered Office is Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR. The presentation currency of these financial statements is sterling.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with the provisions applicable to companies subject to the small companies' regime and voluntarily adopting the disclosure requirements of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the company and available sources of finance.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There are no judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements nor any estimates with a significant risk of material adjustment in the next year.

Disclosure exemptions

The Company's parent undertaking, Mayfair Charities Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Mayfair Charities Limited are prepared in accordance with the Charities SORP and are available to the public and may be obtained from Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash Flow Statement and related notes;
- Key Management Personnel compensation; and
- Basic and Other Financial Instruments.

Turnover

The turnover of the company is derived from commissions and fees receivable in relation to property management, which is recognised in the profit and loss account exclusive of VAT in the period they fall due with reference to the management agreement. The turnover is derived wholly from operations in the UK.

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES *(continued)*

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all its financial liabilities.

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES *(continued)*

Basic financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

Income and expenses

Interest receivable and interest payable:

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or redevelopment of an asset that takes a substantial time to be prepared for use are expensed as incurred.

Interest receivable and similar income include interest receivable on intercompany loans.

Related party transactions

The company has taken advantage of the exemptions in FRS102 in order to dispense with the requirements to disclose transactions with other companies in the Mayfair Charities Limited group.

4. TURNOVER

Turnover arises from:

	2019	2018
	£	£
Commissions receivable	<u>980,370</u>	<u>903,868</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2019

5. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>14,000</u>	<u>13,700</u>

Amounts receivable by the company's auditor in respect of services to the company, other than the audit of the company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's parent undertaking, Mayfair Charities Limited.

6. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees including the directors during the year (2018: £nil).

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest and charges	<u>13,175</u>	<u>9,684</u>

8. TAX ON PROFIT

Major components of tax expense

	2019	2018
	£	£
Current tax:		
Consideration payable for group relief	39,055	33,007
Deferred tax:		
Origination and reversal of timing differences	<u>(39,000)</u>	<u>—</u>
Tax on profit	<u>55</u>	<u>33,007</u>

All tax is recognised in the profit and loss account.

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019	2018
	£	£
Profit on ordinary activities before taxation	<u>377,089</u>	<u>307,607</u>
Profit on ordinary activities by rate of tax	71,646	58,445
Timing differences arising from gift aid	(76,178)	(25,438)
Reversal of timing difference on interest receivable	<u>4,587</u>	<u>—</u>
Tax on profit	<u>55</u>	<u>33,007</u>

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2019

8. TAX ON PROFIT *(continued)*

Factors that may affect future tax expense

A reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016. This will reduce the Company's future tax charge accordingly.

The deferred tax liability at 31 March 2019 has been calculated based on the rate of 17% (2018: 17%).

9. DEBTORS

	2019 £	2018 £
Amounts owed by group undertakings	719,065	1,089,480
Other debtors	776,835	12,056,045
	<u>1,495,900</u>	<u>13,145,525</u>

All debtors are repayable within one year or are repayable on demand. Amounts owed by group undertakings are sterling loans repayable on demand.

Other debtors include amounts totalling £nil (2018 - £688,000) due from companies of which certain directors are also directors of the company. The amounts due were interest bearing at both fixed rates and rates geared to Bankers Base Rate and were sterling amounts repayable on demand.

Other debtors also include amounts totalling £631,606 (2018 - £11,105,773) due from companies of which Mr B S E Freshwater, a director of this company, is also a director. The amounts, which are due on current account, are interest-free sterling amounts repayable on demand.

10. CREDITORS: amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	1,117,599	1,504,139
Consideration payable for group relief	39,055	33,007
Deferred taxation	–	39,000
Other creditors	8,275,478	23,102,039
	<u>9,432,132</u>	<u>24,678,185</u>

All creditors are repayable within one year or are repayable on demand. Amounts owed by group undertakings are sterling loans repayable on demand.

Other creditors and accruals include amounts totalling £7,754,807 (2018 - £22,727,881) due to companies or entities of which Mr B S E Freshwater, a director of this company, is also a director or trustee. The amounts, which are due on current account, are interest-free sterling amounts repayable on demand.

FRESHWATER PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2019

11. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. CAPITAL AND RESERVES

Called-up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period retained profits and losses.

13. RELATED PARTY TRANSACTIONS

Almost all of the commissions receivable are 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, is indirectly interested in their share capital.

The majority of the day-to-day management of the company's operations is carried out by Highdorn Co. Limited ("Highdorn"). Mr B S E Freshwater is a director of Highdorn but has no beneficial interest in the share capital of that company.

During the year £718,000 (2018: £678,000), excluding VAT, was payable to Highdorn for these services which were charged for at normal commercial rates. The amount owing to Highdorn at 31 March 2019 for these services is £718,000 (2018: £678,000).

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

No transactions with related parties other than those disclosed above and in the financial statements were undertaken such as are required to be disclosed under FRS102.

14. PARENT COMPANY AND CONTROLLING PARTY

The company is controlled by its parent undertaking, Mayfair Charities Limited, a company registered in England and Wales for charitable purposes. Mayfair Charities Limited has no controlling party.

The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up is Mayfair Charities Limited.

Copies of financial statements of Mayfair Charities Limited can be obtained from the following address:

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