

CRISTOBAL ESTATES LIMITED  
(REGISTERED NUMBER: 1138461)

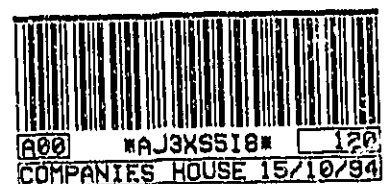
FINANCIAL STATEMENTS

for the year ended

31ST DECEMBER 1993

COHEN, ARNOLD & CO  
CHARTERED ACCOUNTANTS

LONDON W 1



**CRISTOBAL ESTATES LIMITED**

**DIRECTORS**

P Pizer  
I M Katz  
B S E Freshwater

**SECRETARY**

C C Morse F.C.I.S.

**REGISTERED OFFICE**

13-17 New Burlington Place  
Regent Street  
LONDON W1X 2JP

**AUDITORS**

Cohen, Arnold & Co  
13-17 New Burlington Place  
Regent Street  
LONDON W1X 2JP

**CRISTOBAL ESTATES LIMITED**  
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**FOR THE YEAR ENDED 31ST DECEMBER 1993**

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# CRISTOBAL ESTATES LIMITED

## DIRECTORS' REPORT

The Directors have pleasure in presenting their Annual Report together with the audited Financial Statements of the Company for the year ended 31 December 1993.

### **BUSINESS REVIEW**

The principal activity of the Company is Property Trading which has remained unchanged during the year and no change is envisaged in the immediate future.

### **RESULTS AND DIVIDEND**

The financial results of the Company's activities for the year ended 31 December 1993 are fully reflected in the attached Financial Statements together with the Notes thereon.

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

### **PROPERTIES**

The Directors have carefully reviewed the Company's property trading portfolio and they are satisfied that each property has a value at least equal to the figure at which it is included in the Balance Sheet at 31st December 1993.

### **DIRECTORS AND THEIR INTEREST IN SHARE CAPITAL**

The Directors who served during the year and their interest in the Share Capital of the Company are as follows:

	Number of Ordinary Shares	
	1993	1992
Mr P Pizer	1	1
Mr I M Katz	1	1
Mr B S E Freshwater	-	-

The Articles of Association of the Company do not require the Directors to retire by rotation.

The Directors do not have service contracts and have not received any emoluments from the Company.

Day to day management of the Company's property is carried out by Highdorn Co. Limited, a Company in which Mr B S E Freshwater, a Director of this Company, is also a Director.

# CRISTOBAL ESTATES LIMITED

## DIRECTORS' REPORT

### DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing the Financial Statements, the Directors are required to:

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) follow applicable Accounting Standards, subject to any material departures disclosed and explained in the Financial Statement.
- iv) 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. 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

During the year the Company made no charitable donation nor political contribution.


### CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

### AUDITORS

The auditors, Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the board to fix their remuneration will be proposed at the Annual General Meeting.

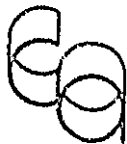
### BY ORDER OF THE BOARD

  
.....  
C.C.MORSE  
SECRETARY

12 OCT 1994  
.....1994

### HEAD OFFICE:

Freshwater House  
158/162 Shaftesbury Avenue  
LONDON WC2H 8HR



cohen  
arnold  
& co.

Chartered Accountants  
Registered Auditors

Our Reference: 3/JSC/RS/3462

Your Reference:

13-17 New Burlington Place  
Regent Street, London W1X 2JP  
Telephone: 071-734 1362  
Fax: 071-434 1117

The Directors  
Cristobal Estates Limited  
158-162 Shaftesbury Avenue  
London WC2H 8HR

Dear Sirs,

**CRISTOBAL ESTATES LIMITED & SUBSIDIARY UNDERTAKING -**  
**EXEMPTION FROM PREPARATION OF GROUP FINANCIAL STATEMENTS**

We have examined the Financial Statements of Cristobal Estates Limited and of its Subsidiary Undertakings for the year ended 31 December 1993 in order to ascertain whether Cristobal Estates Limited may take advantage of the exemption conferred by Section 248 Companies Act 1985 with regard to the non-production of Group Financial Statements.

We would, therefore, confirm to you that, as a result of our examination of the above mentioned Financial Statements, the aggregate turnover of Cristobal Estates Limited and its Subsidiary Undertakings is not more than £3.36 million gross and the aggregate number of employees is not more than 50.

On the basis of the above, in our opinion, Cristobal Estates Limited is entitled to the exemption conferred by Section 248 Companies Act 1985 and need not, therefore, prepare Group Financial Statements.

Yours faithfully,

**COHEN ARNOLD & CO - CHARTERED ACCOUNTANTS**  
**& REGISTERED AUDITOR**

A. J. Cohen FCA M. Barnett FCA D. S. Davis FCCA D. M. Birns FCA J. Schwarz FCA M. Blum FCA  
D. B. Myers FCA B. D. H. Abrahams ACA J. A. Neumann ACA  
Consultants: J. Schonberg FCA M. Stern FCA MP

Cohen Arnold & Co. are authorised to carry on Investment Business by the Institute of Chartered Accountants in England and Wales

REPORT OF THE AUDITORS' COHEN ARNOLD & CO.

TO THE MEMBERS

- OF -

CRISTORAL ESTATES LIMITED

We have audited the Financial Statements on pages 4 to 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As indicated in the Directors' Report, the Company's Directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on the Financial Statements and to report our opinion to you.

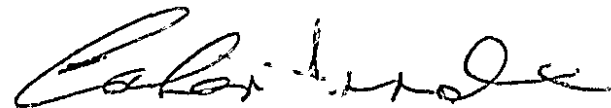
**BASIS OF OPINION**

We have conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements by the Directors in the preparation of the Financial Statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence and to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

**OPINION**

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 31 December 1993 and of its Loss for the year then ended, and have been properly prepared in accordance with the Companies' Act 1985.



London  
Date: 17. October 1994

COHEN, ARNOLD & CO  
Chartered Accountants and  
Registered Auditor

CRISTOBAL ESTATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1993

	Note	£	<u>1993</u>	£	£	<u>1992</u>	£
Rents and Charges Receivable	2	216,914			253,602		
Property Outgoings		(111,971)			(208,727)		
				104,943			44,875
Property Sales	2	465,000			-		
Cost of Sales		(202,732)			-		
				262,268			-
				367,211			44,875
Administrative Expenses	3			(11,305)			(15,151)
<u>OPERATING PROFIT</u>				355,906			29,724
Interest Payable	4			(385,227)			(372,247)
Interest Receivable				1,311			178
<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>				(28,010)			(342,345)
Taxation	5			(5,735)			-
<u>LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR</u>				(33,745)			(342,345)
Adverse Balance Brought Forward				(4,017,141)			(3,674,796)
<u>ADVERSE BALANCE CARRIED FORWARD</u>				£(4,050,886)			£(4,017,141)

The Company has no recognised gains or losses other than those reflected in the above Profit and Loss Account for the financial year nor for the previous year.

None of the Company's activities was acquired or discontinued during the financial year nor in the previous year.

The notes on pages 6 to 9 form part of these Financial Statements.



CRISTOBAL ESTATES LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1993

	Notes	£	<u>1993</u> £	£	<u>1992</u> £
<u>FIXED ASSETS</u>					
Investments	6		(38,517)		(38,517)
<u>CURRENT ASSETS</u>					
Properties held for trading	7	358,936		558,936	
Debtors	8	87,317		95,882	
		446,253		654,818	
<u>CREDITORS</u> : Amounts Falling Due Within One Year	9	(4,458,620)		(4,633,440)	
<u>NET CURRENT LIABILITIES</u>			(4,012,367)		(3,978,622)
			£(4,050,884)		£(4,017,139)
<u>CAPITAL AND RESERVES</u>					
Called-up Share Capital	10		2		2
Profit and Loss Account			(4,050,886)		(4,017,141)
			£(4,050,884)		£(4,017,139)

The Financial Statements were approved by the Board on 12 October 1994  
and signed on its behalf by

.....  
B S E FRESHWATER

DIRECTOR

The notes on pages 6 to 9 form part of these Financial Statements.

# CRISTOBAL ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 1993

#### 1. ACCOUNTING POLICIES

The following is a statement of the Principal Accounting Policies of the Company:-

##### (a) Basis of Preparation:

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and on the basis of accounting principles appropriate to a going concern, this being dependent primarily on the continued provision of financial support by the Company's principal loan creditor referred to in Note 9.

##### (b) Disposal of Properties:

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

##### (c) Trading Properties:

These properties are stated at the lower of cost and net realisable value.

##### (d) Cash Flow Statement:

The Company is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No: 1) on the basis of its being a "small company" as defined by Section 247, Companies Act 1985.

##### (e) Group Financial Statements:

Group Financial Statements have not been prepared as the Directors have taken advantage of the exemptions from so doing conferred by Section 248 and 249 of the Companies Act 1985 on the basis that the Group qualifies as a small group.

#### 2. TURNOVER

The turnover of the Company is derived from its properties held for trading purposes and the principal constituents thereof are as follows:

	<u>1993</u> £	<u>1992</u> £
Property Trading	262,268	-
Rents Receivable	216,914	253,602
	<hr/>	<hr/>
	£479,182	£253,602
	<hr/>	<hr/>

The surplus on Property Trading is a result of the sale of Alec House, Glasgow to Mayfair Charities Limited at an open market value of £465,000. Mr B S E Freshwater, a Director of this Company, is also a Governor of the Charity Company.

CRISTOBAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1993

3. ADMINISTRATIVE EXPENSES

	<u>1993</u> £	<u>1992</u> £
Audit Fees	1,410	1,291
Legal and Professional Charges	9,895	13,860
	<hr/>	<hr/>
	£11,305	£15,151
	<hr/>	<hr/>

4. INTEREST PAYABLE

	<u>1993</u> £	<u>1992</u> £
On short term loan	£385,227	£372,247
	<hr/>	<hr/>

5. TAXATION

	<u>1993</u> £	<u>1992</u> £
Corporation Tax @ 33% in respect of prior years	£5,735	£ -
	<hr/>	<hr/>

6. FIXED ASSET - INVESTMENT IN SUBSIDIARY

	<u>1993</u> £	<u>1992</u> £
Cost of shares held in subsidiary undertaking	19,000	19,000
Amount due to subsidiary undertaking	(57,517)	(57,517)
	<hr/>	<hr/>
	£(38,517)	£(38,517)
	<hr/>	<hr/>

The Company owns 95% of the share capital of Sloane Avenue Properties Limited. Losses for the year ended 30 September 1993 were £45. The accumulated losses as at 30 September 1993 were £398,459.

CRISTOBAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1993

7. PROPERTIES HELD FOR TRADING

	<u>1993</u> £	<u>1992</u> £
At the lower of cost and net realisable value	£358,936	£558,936

8. DEBTORS

	<u>1993</u> £	<u>1992</u> £
Rents and Service Charges due and accrued	74,776	78,017
Other Debtors	12,541	17,865
	<u>£87,317</u>	<u>£95,882</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1993</u> £	<u>1992</u> £
Rents and Service Charges in advance	13,664	6,735
Other Creditors and Accruals	4,444,956	4,626,705
	<u>£4,458,620</u>	<u>£4,633,440</u>

Included in other creditors and accruals is an amount of £1,944,175 (1992 : £2,465,425) being a loan repayable on demand on which interest is payable at 10% per annum. At the Balance Sheet date interest of £1,914,516 was accrued and unpaid.

CRISTOBAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1993

10. CALLED UP SHARE CAPITAL

	<u>1993</u>	<u>1992</u>
	<u>£</u>	<u>£</u>
<u>Authorised:</u>		
100 Ordinary Shares of £1 each	£100	£100
	<hr/>	<hr/>
<u>Issued and Fully Paid:</u>		
2 Ordinary Shares of £1 each	£2	£2
	<hr/>	<hr/>

11. POST BALANCE SHEET EVENT

In March 1994, the Company sold a property for £750,000 which is included in the Balance Sheet at a value of £198,437.

CRISTOBAL ESTATES LIMITED  
PROPERTY REVENUE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1993

	<u>£</u>	<u>1993</u> <u>£</u>	<u>£</u>	<u>1992</u> <u>£</u>
Rents Receivable		176,944		197,983
Service Charges Receivable		39,970		55,610
		<hr/>		<hr/>
		216,914		253,602
Ground Rent	46,359		95,729	
General and Water Rates	1,068		3,402	
Insurance	9,269		7,793	
Light and Heat	7,014		10,324	
Porterage and Cleaning	14,705		14,327	
Repairs	20,720		63,136	
Management and Letting Commission	12,836		14,016	
	<hr/>		<hr/>	
		(111,971)		(208,727)
		<hr/>		<hr/>
<u>NET PROPERTY REVENUE</u>		<u>£104,943</u>		<u>£44,875</u>

CRISTOBAL ESTATES LIMITED

PROPERTY TRADING ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1993

	<u>1993</u>	<u>1992</u>
	£	£
Sale Proceeds	465,000	-
<u>Deduct:</u>		
Cost of Sale	(2,732)	-
	<hr/>	<hr/>
Net Sale Proceeds	462,268	-
 Properties held at 1st January 1993	558,936	558,936
 Properties held at 31st December 1993	(358,936)	(558,936)
	<hr/>	<hr/>
	200,000	-
	<hr/>	<hr/>
<u>PROFIT ON PROPERTY TRADING</u>	<u>£262,268</u>	<u>£Nil</u>