

F. B. STANDWAY LIMITED

Company No: 422921

FINANCIAL STATEMENTS

for the year ended

31 MARCH 2000



**COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON W1X 2JP**

F. B. STANDWAY LIMITED

DIRECTORS

Mr B.S.E. Freshwater
Mr Sh. Berger
Mrs F. Freshwater
Mrs L. Berger
Mrs N. Freshwater
Mr S. Berger

SECRETARIES

Mrs F. Freshwater
Mrs L. Berger

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

BANKERS

Barclays Bank PLC
Mile End and Bow Branch
240 Whitechapel Road
LONDON E1 1BS

F. B. STANDWAY LIMITED
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FOR THE YEAR ENDED 31 MARCH 2000

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F. B. STANDWAY 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 March 2000.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company is Property Investment which 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 March 2000, 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.

FIXED ASSETS

The movements in Fixed Assets are fully reflected in Note 7 to the Financial Statements.

LAND AND BUILDINGS

The Company's investment properties are included in the Balance Sheet at cost.

The Directors are of the opinion that the open market value of each of the Company's investment properties are at least equal to the amount at which it is included in the Financial Statements.

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	
	2000	1999
Mr B.S.E. Freshwater	2,040	2,040
Mr S. Berger	544	544

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

No Director has a Service Contract with the Company.

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 for the year. 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 Statements
- iv) prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

F. B. STANDWAY LIMITED
DIRECTORS' REPORT (Cont'd)

DIRECTORS' RESPONSIBILITIES (continued)

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.

YEAR 2000

There has been no disruption to the company's operations during or since the turn of the millennium as a result of the year 2000 Issue.

No disruption is expected and the Directors continue to monitor the position.

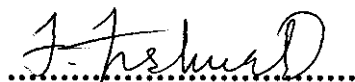
CLOSE COMPANY

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


.....

Mrs F. Freshwater - Secretary

16 AUG 2000

..... 2000

REPORT OF THE AUDITORS' COHEN ARNOLD & CO.

TO THE MEMBERS

- OF -

F. B. STANDWAY LIMITED

We have audited the Financial Statements on pages 4 to 11.

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.

DEPARTURE FROM ACCOUNTING STANDARD

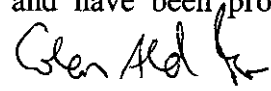
The Company's investment properties are included in the Financial Statements on the basis indicated in Note 1 on Accounting Policies. This does not comply with the requirements of Statement of Standard Accounting Practice No. 19 which requires such properties to be stated at their open market value. However, as stated in their report, the directors are of the opinion that each of the company's investment properties has an open market value at least equal to the amount at which it is included in the Financial Statements.

QUALIFIED OPINION ARISING FROM DEPARTURE FROM ACCOUNTING STANDARD

Except for non-compliance with Statement of Standard Accounting Practice No. 19, in our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 31 March 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies' Act 1985.

London

Date: **16 AUG 2000**


COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditor

F. B. STANDWAY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2000

	Notes	<u>2000</u> £	<u>1999</u> £
Net Rental Income	3	115,842	124,126
Administrative and Other Expenses	4	(21,491)	(14,742)
OPERATING PROFIT		94,351	109,384
Interest Receivable		-	83
Interest Payable	5	(34)	(1)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		94,317	109,466
Taxation	6	(15,337)	(11,850)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		78,980	97,616
Retained Profit Brought Forward		239,501	141,885
RETAINED PROFIT CARRIED FORWARD		£318,481	£239,501

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

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.

The notes on pages 6 to 11 form part of these Financial Statements.

F. B. STANDWAY LIMITED**BALANCE SHEET AS AT 31 MARCH 2000**

	Notes	£	<u>2000</u>	£	£	<u>1999</u>	£
FIXED ASSETS							
Tangible Fixed Assets	7	138,219			135,994		
Investments	11	4,250			4,250		
				142,469			140,244
CURRENT ASSETS							
Debtors	8	293,573			201,310		
Cash at Bank		1,253			216		
				294,826			201,526
CREDITORS: Amounts falling due within one year	9	(109,564)			(93,019)		
NET CURRENT ASSETS				185,262			108,507
NET ASSETS				<u>£327,731</u>			<u>£248,751</u>

CAPITAL AND RESERVES

Called up Share Capital	10	9,250		9,250
Profit and Loss Account		318,481		239,501
			<u>£327,731</u>	<u>£248,751</u>

The Financial Statements were approved by the Board on 16 AUG 2000 2000
and signed on its behalf by

.....
MR B S E FRESHWATER

DIRECTORS

.....
MRS LILY BERGER

The notes on pages 6 to 11 form part of these Financial Statements.

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the Company's Financial Statements.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards except for the policy of accounting for investment properties referred to in note 1.2 below.

1.2 INVESTMENT PROPERTIES

Investment properties are included in the balance sheet at historical cost, which is not in accordance with Statement of Standard Accounting Practice No.19, which requires such properties to be stated at their open market value.

1.3 DEPRECIATION

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of Freehold investment properties nor on Leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the Directors consider that this Accounting Policy results in the Financial Statements giving a true and fair view.

Leases having an unexpired term of less than twenty years are amortised evenly over the remaining period of the lease.

Fixtures and Fittings are depreciated so as to write off their respective costs over their estimated useful lives.

1.4 ACQUISITIONS AND DISPOSALS OF PROPERTIES

Acquisitions and Disposals are considered to have taken place at the date of legal completion and are included in the Financial Statements accordingly.

1.5 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.

1.6 GROUP FINANCIAL STATEMENTS

Group Financial Statements are not prepared, on the basis of the exemption conferred by Section 248 Companies Act 1985.

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the Directors consider to be appropriate having regard to the nature of the Company's activities.

3. TURNOVER AND NET RENTAL INCOME

The Turnover of the Company is represented by Rents and Charges Received in respect of its Investment Properties.

The Net Rental Income is comprised of the following:

	<u>2000</u> £	<u>1999</u> £
Rents and Charges Receivable	183,858	183,745
Property Outgoings	(68,016)	(59,619)
	£115,842	£124,126

4. ADMINISTRATIVE AND OTHER EXPENSES

	<u>2000</u> £	<u>1999</u> £
Directors' Remuneration	3,000	1,000
Secretaries' Remuneration	5,600	7,600
Salaries and Wages	5,000	2,000
Employer's NI	-	150
Auditors' Remuneration	7,168	3,701
General Expenses	723	291
	£ 21,491	£14,742

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

5. INTEREST PAYABLE

	<u>2000</u>	<u>1999</u>
	£	£
On Loans repayable within 5 years:		
Bank Overdraft	£34	£1
	<u> </u>	<u> </u>

6. TAXATION

	<u>2000</u>	<u>1999</u>
	£	£
Corporation Tax based on profit for the year @ 20%	15,337	11,850
	<u> </u>	<u> </u>

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

7. TANGIBLE FIXED ASSETS

	Investment Properties - <u>Freehold</u> £	Investment Properties - <u>Leasehold</u> £	Furniture & Fittings £	Total £
At Cost				
At 1 April 1999	131,664	1,048	12,290	145,002
Additions	-	-	2,956	2,956
At 31 March 2000	£131,664	£1,048	£15,246	£ 147,958
Depreciation				
At 1 April 1999	-	1,027	7,981	9,008
Charge for year	-	5	726	731
At 31 March 2000	£-	£1,032	£8,707	£9,739
Net Book Value				
At 31 March 2000	£131,664	£16	£6,539	£138,219
At 31 March 1999	£131,664	£21	£4,309	£135,994

8. DEBTORS

	<u>2000</u> £	<u>1999</u> £
Associated Undertakings	54,435	46,309
Loan Debtors	64,252	64,252
Amount due from Subsidiary Undertaking	122,655	72,155
Other Debtors and Prepayments	52,231	18,594
	£293,573	£201,310

Amounts due from Associated Undertakings are in respect of amounts due from Companies of which Directors of this Company are also Directors and in the share capital of which they are interested. The Loans are interest free and repayable on demand.

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u>	<u>1999</u>
	£	£
Bank Overdraft	-	17,735
Corporation Tax	16,335	12,849
Other Taxes and Social Security Costs	9,520	5,016
Other Creditors and Accruals	51,188	24,898
Loan Creditors	20,760	20,760
Associated Undertakings	11,761	11,761
	£109,564	£93,019

Amounts due to Associated Undertakings are in respect of amounts due to Companies of which Directors of this Company are also Directors, and in the share capital of which they are interested. The Loans are interest free and repayable on demand.

10. CALLED UP SHARE CAPITAL

	<u>2000</u>	<u>1999</u>
	£	£
<u>Authorised:</u>		
9,250 Ordinary Shares of £1 each	£9,250	£9,250
<u>Issued and Fully Paid:</u>		
9,250 Ordinary Shares of £1 each	£9,250	£9,250

11. SUBSIDIARY UNDERTAKING

The Company owns the whole of the issued share capital in Delcourt Investments Limited, a company incorporated in Great Britain and registered in England and Wales.

Consolidated Financial Statements relating to the results of the subsidiary for the year ended 31 March 2000 have not been prepared as the Company has taken advantage of the exemption conferred by Section 248 Companies Act 1985. The movement in reserves of the subsidiary are as follows:

Profit and Loss Account	£
Balance at 1 April 1999	339,461
Profit for the Year	63,050
Balance at 31 March 2000	£402,511

The net assets of the subsidiary at 31 March 2000 amounted to £406,761 (1999 : £343,711).

F. B. STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

12. RELATED PARTY TRANSACTIONS

Included in Management and Letting Commission is £15,122 (1999: £15,112) relating to Companies under common Management and Control.

13. CONTROLLING PARTY

The Company has no Controlling Party.