

F B STANDWAY LIMITED
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 MARCH 2002

COMPANY NO: 422921



COHEN ARNOLD & CO.
Chartered Accountants & Registered Auditors
New Burlington House
1075 Finchley Road
LONDON NW11 0PU

F B STANDWAY LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

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F B STANDWAY LIMITED

COMPANY INFORMATION

THE BOARD OF DIRECTORS

Mrs A. Freshwater
Mr S. Berger
Mr Sh. Berger
Mrs F. Freshwater
Mrs L. Berger
Mr B. S. E. Freshwater
Mrs N. G. Freshwater
Mr J Sternlicht

COMPANY SECRETARY

Mrs Feigy Freshwater

REGISTERED OFFICE

1075 Finchley Road
London
NW11 0PU

AUDITORS

Cohen Arnold & Co.
Chartered Accountants
& Registered Auditors
New Burlington House
1075 Finchley Road
LONDON NW11 0PU

BANKERS

Barclays Bank Plc
240 Whitechapel Road
LONDON

F B STANDWAY LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2002

The directors have pleasure in presenting their report and the Financial Statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES 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.

The net profit on ordinary activities after providing for taxation amounted to £14,690.

The financial results of the company's activities for the year ended 31 March 2002 are fully reflected in the attached financial statements together with the notes thereon.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At	At
	31 March 2002	1 April 2001 or later date of appointment
Mrs A. Freshwater	—	—
Mr S. Berger	544	544
Mr Sh. Berger	—	—
Mrs F. Freshwater	—	—
Mrs L. Berger	—	—
Mr B. S. E. Freshwater	2,040	2,040
Mrs N. G. Freshwater	—	—
Mr J Sternlicht	—	—

Mr J Sternlicht was appointed as a director on 1 April 2001.

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' 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 at the end of the year and of the profit or loss for the year then ended.

In preparing those Financial Statements, the directors are required to select suitable accounting policies, as described on pages 8 to 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2002

The directors are responsible for keeping 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. The directors 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.

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

AUDITORS

A resolution to re-appoint Cohen Arnold & Co. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



MRS FEIGY FRESHWATER

Company Secretary

23 JAN 2003

Approved by the directors on

F B STANDWAY LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31 MARCH 2002

We have audited the Financial Statements on pages 6 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on pages 8 to 9 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 2 to 3.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the Financial Statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 made 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 to give reasonable assurance that the Financial Statements are free from material misstatement, 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.

F B STANDWAY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS (CONTINUED)

YEAR ENDED 31 MARCH 2002

DEPARTURE FROM ACCOUNTING STANDARDS

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 STANDARDS

Except for non-compliance with the requirements of 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



New Burlington House
1075 Finchley Road
LONDON NW11 0PU

COHEN ARNOLD & CO.
Chartered Accountants
& Registered Auditors

23 JAN 2003
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F B STANDWAY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2002

	Note	2002 £	2001 £
Net Rental Income	2	48,496	146,043
Administrative expenses		(33,807)	(23,900)
OPERATING PROFIT	3	14,689	122,143
Interest receivable		1	19
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		14,690	122,162
Tax on profit on ordinary activities		—	(20,188)
RETAINED PROFIT FOR THE FINANCIAL YEAR		14,690	101,974
Balance brought forward		<u>420,456</u>	<u>318,482</u>
Balance carried forward		<u>435,146</u>	<u>420,456</u>

The notes on pages 8 to 11 form part of these Financial Statements.

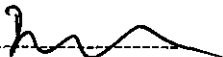
F B STANDWAY LIMITED

BALANCE SHEET AS AT 31 MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	4	141,231	137,561
Investments	5	<u>4,250</u>	<u>4,250</u>
		145,481	141,811
CURRENT ASSETS			
Debtors	6	411,990	379,659
Cash at bank		<u>349</u>	<u>889</u>
		412,339	380,548
CREDITORS: Amounts falling due within one year	7	<u>113,424</u>	<u>92,653</u>
NET CURRENT ASSETS		298,915	287,895
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>444,396</u>	<u>429,706</u>
CAPITAL AND RESERVES			
Called-up equity share capital	9	9,250	9,250
Profit and Loss Account		<u>435,146</u>	<u>420,456</u>
SHAREHOLDERS' FUNDS		<u>444,396</u>	<u>429,706</u>

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These Financial Statements were approved by the directors on the 23 JAN 2003 and are signed on their behalf by:


MR B.S.E. FRESHWATER
DIRECTOR


MRS L. BERGER
DIRECTOR

The notes on pages 8 to 11 form part of these Financial Statements.

F B STANDWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

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 March 2000), subject to the departures referred to below.

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No. 1 "Cash flow statements".

Turnover

The turnover of the company is represented by rents and charges receivable in respect of its investment properties..

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- (25%)
Fixtures & Fittings	- (10%)

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.

Low value items of furniture and fittings are written off in the year in which they are acquired.

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.

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.

F B STANDWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES *(continued)*

Format of the 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.

2. TURNOVER AND NET RENTAL INCOME

The net rental income is comprised as follows:

	2002 £	2001 £
Rents and charges receivable	204,807	219,094
Property outgoing	(156,311)	(73,051)
Net rental income	<u>48,496</u>	<u>146,043</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2002 £	2001 £
Directors' emoluments	22,800	15,000
Auditors' remuneration	<u>5,875</u>	<u>6,463</u>

4. TANGIBLE FIXED ASSETS

	Freehold & Leasehold Property £	Fixtures & Fittings £	Total £
COST			
At 1 April 2001	132,712	15,246	147,958
Additions	—	4,735	4,735
At 31 March 2002	<u>132,712</u>	<u>19,981</u>	<u>152,693</u>
DEPRECIATION			
At 1 April 2001	1,036	9,361	10,397
Charge for the year	3	1,062	1,065
At 31 March 2002	<u>1,039</u>	<u>10,423</u>	<u>11,462</u>
NET BOOK VALUE			
At 31 March 2002	<u>131,673</u>	<u>9,558</u>	<u>141,231</u>
At 31 March 2001	<u>131,676</u>	<u>5,885</u>	<u>137,561</u>

F B STANDWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

5. INVESTMENTS

	Total £
COST:	
At 1 April 2001 and 31 March 2002	<u>4,250</u>
NET BOOK VALUE:	
At 31 March 2002	<u>4,250</u>
At 31 March 2001	<u>4,250</u>

The company owns 100% of the issued share capital in Delcourt Investments Limited, a company incorporated in Great Britain and registered in England and Wales. The movement in reserve of the subsidiary is as follows :

	2002 £	2001 £
Aggregate capital and reserves	436,970	426,379
Profit and (loss) for the year	10,591	19,619

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

6. DEBTORS

	2002 £	2001 £
Trade debtors	32,778	59,047
Amounts owed by group undertakings	314,883	256,283
Directors current accounts	77	77
Other debtors	<u>64,252</u>	<u>64,252</u>
	<u>411,990</u>	<u>379,659</u>

Amounts owed by group 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 above loans are interest free and repayable on demand.

F B STANDWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

7. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Amounts owed to group undertakings	24,195	6,662
Corporation tax	997	21,190
Other taxation and social security	—	6,280
Other creditors	<u>88,232</u>	<u>58,521</u>
	<u>113,424</u>	<u>92,653</u>

Amounts owed to group 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.

8. RELATED PARTY TRANSACTIONS

Included in Management and Letting Commission is £16,846 (2001:£17,486) relating to Companies under common Management and Control.

9. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
9,250 Ordinary shares of £1.00 each	<u>9,250</u>	<u>9,250</u>

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	<u>9,250</u>	<u>9,250</u>