

**REGISTRAR OF
COMPANIES**

Crestform Limited

Report and Financial Statements

Year Ended

31 March 2000



BDO

BDO Stoy Hayward
Chartered Accountants

126

CRESTFORM LIMITED

Report and financial statements for the year ended 31 March 2000

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Directors

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Directors

R Gubbay
T Kremer

Secretary and registered office

T Kremer, Lyntonia House, 7 Praed Street, London, W2 1NJ.

Company number

3484809

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

CRESTFORM LIMITED

Report of the directors for the year ended 31 March 2000

The directors present their report together with the audited financial statements for the year ended 31 March 2000.

Results and dividends

The profit and loss account is set out on page 4 and shows the profit for the year.

The directors do not recommend the payment of a dividend.

Principal activities, trading review and future developments

The principal activity of the company is that of property management agents.

Year 2000

The directors recognised the Year 2000 problem as a potentially serious business issue and considered the risks and implications on the company's operations. No additional costs were incurred over and above annual spending levels for ongoing renewal and maintenance expenditure in ensuring that the company's computer systems and associated software were Year 2000 compliant.

Since the end of 1999, the company has experienced no problems. However, the Board continues to monitor the issue.

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

	2000	1999
R Gubbay	-	-
T Kremer	-	-

The interests of the directors in the share capital of the parent company, Prime Commercial Properties Limited, are shown in the financial statements of that 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 the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

CRESTFORM LIMITED

Report of the directors for the year ended 31 March 2000 (*Continued*)

Directors' responsibilities (*Continued*)

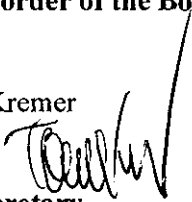
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

T Kremer


Secretary

Date 14 July 2000

CRESTFORM LIMITED

Report of the auditors

To the shareholders of Crestform Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
London

14 July 2000

CRESTFORM LIMITED**Profit and loss account for the year ended 31 March 2000**

	Note	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
Turnover	2	598,623	115,911
Administrative expenses		(405,589)	(99,391)
Operating profit	5	193,034	16,520
Interest receivable		10,281	748
		203,315	17,268
Interest payable	6	(398)	(15)
Profit on ordinary activities before taxation		202,917	17,253
Taxation on profits from ordinary activities	7	(59,182)	(70)
Profit on ordinary activities after taxation and retained for year		143,735	17,183
Retained profit brought forward		17,183	-
Retained profit carried forward		160,918	17,183

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements.

CRESTFORM LIMITED**Reconciliation of movements in shareholders' funds for the year ended 31 March 2000**

	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
Profit for the year	143,735	17,183
Issue of shares	-	2
Net increase in shareholders' funds	143,735	17,185
Opening shareholders' funds	17,185	-
Closing shareholders' funds	160,920	17,185

The notes on pages 7 to 11 form part of these financial statements.

CRESTFORM LIMITED**Balance sheet at 31 March 2000**

	Note	2000	1999
		£	£
Fixed assets			
Tangible assets	8	46,616	56,643
Current assets			
Debtors	9	162,347	74,945
Cash at bank and in hand		877,868	488,471
		<u>1,040,215</u>	<u>563,416</u>
Creditors: amounts falling due within one year	10	<u>925,911</u>	<u>602,874</u>
Net current assets/(liabilities)		<u>114,304</u>	<u>(39,458)</u>
Net assets		<u><u>160,920</u></u>	<u><u>17,185</u></u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account		160,918	17,183
Shareholders' funds		<u><u>160,920</u></u>	<u><u>17,185</u></u>

All shareholders' funds are equity.

The financial statements were approved by the Board on 14 July 2000

R Gubbay)
) **Directors**
T Kremer)



The notes on pages 7 to 11 form part of these financial statements.

CRESTFORM LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents fees receivable.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rate:

Fixtures and fittings - 25% on cost

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
Staff costs consist of:		
Wages and salaries	273,883	52,574
Social security costs	28,006	4,239
	301,889	56,813

The average number of employees during the year were 8 (1999 – 9).

CRESTFORM LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

4 Directors

The directors received aggregate emoluments of £65,350 (1999 - £Nil) during the year.

5 Operating profit

	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
This is arrived at after charging:		
Depreciation	17,735	6,587
Auditors' remuneration	2,350	1,500
Operating lease rentals in respect of land and buildings	27,900	6,750
	<u> </u>	<u> </u>

6 Interest payable

	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
Bank loans and overdrafts	398	15
	<u> </u>	<u> </u>

7 Taxation

	Year ended 31 March 2000 £	3 months ended 31 March 1999 £
UK Corporation tax at 30%	59,182	70
	<u> </u>	<u> </u>

CRESTFORM LIMITEDNotes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)**8 Tangible assets**

	Fixtures and fittings £
<i>Cost</i>	
At 1 April 1999	63,230
Additions	7,708
At 31 March 2000	70,938
<i>Depreciation</i>	
At 1 April 1999	6,587
Provided for the year	17,735
At 31 March 2000	24,322
<i>Net book value</i>	
At 31 March 2000	46,616
At 31 March 1999	56,643

9 Debtors

	2000 £	1999 £
Trade debtors	140,097	62,206
Other debtors	14,050	12,739
Prepayments and accrued income	8,200	-
	162,347	74,945

All amounts shown under debtors fall due for payment within one year.

CRESTFORM LIMITEDNotes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)**10 Creditors: amounts falling due within one year**

	2000 £	1999 £
Amounts due to parent company	-	75,000
Other creditors	837,333	522,965
Creditors for taxation and social security	29,326	4,839
Corporation tax payable	59,252	70
	<u>925,911</u>	<u>602,874</u>

11 Deferred taxation

	Provided		Unprovided	
	2000 £	1999 £	2000 £	1999 £
Excess of capital allowances over depreciation	-	-	4,061	3,928

12 Share capital

	Authorised		Allotted, called up and fully paid	
	2000 £	1999 £	2000 £	1999 £
Ordinary shares of £1	100	100	2	2

13 Ultimate parent company

At 31 March 2000, the company's ultimate parent company was Prime Commercial Properties Limited.

Copies of the financial statements of Prime Commercial Properties Limited, are available from Companies House.

CRESTFORM LIMITED

Notes forming part of the financial statements for the year ended 31 March 2000 (*Continued*)

14 Financial commitments

At 31 March 2000, the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2000	1999
	£	£
Operating leases which expire:		
Over five years	27,900	27,900
	<u> </u>	<u> </u>

15 Related party transactions

The company is controlled by Prime Commercial Properties Limited.

The company paid rent of £27,900 to Moveglade Limited, a company controlled by the Gubbay Family, of which Mr R Gubbay is a director of Crestform Limited.

The company acts as a property management agent for a number of trusts of which fellow subsidiary undertakings hold a beneficial interest. Transactions with these trusts were as follows:

	Year ended 31 March 2000	3 months ended 31 March 1999
	£	£
Rent collection fees receivable	565,976	115,912
Amounts due to the trusts and included within creditors due within one year	837,542	480,146