

**REGISTRAR OF
COMPANIES**

Crestform Limited

Report and Financial Statements

Year Ended

31 March 2004

8484809



BDO

BDO Stoy Hayward
Chartered Accountants

Crestform Limited

Report and financial statements for the year ended 31 March 2004

Contents

Directors

Page:

1	Report of the directors
3	Report of the independent auditors
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Directors

R Gubbay
T Kremer

Secretary and registered office

P Gubbay, Lyntonia House, 7 Praed Street, London, W2 1NJ.

Company number

3484809

Auditors

BDO Stoy Hayward LLP, 8 Baker Street, London, W1U 3LL.

Crestform Limited

Report of the directors for the year ended 31 March 2004

The directors present their report together with the audited financial statements for the year ended 31 March 2004.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

The directors paid a dividend on the ordinary share capital of £1,000,000 (2003 - £500,000) during the year. No final dividend is declared (2003 - £Nil).

Principal activities, trading review and future developments

The principal activity of the company is that of property management agents and no change in activity is envisaged in the ensuing year.

Directors

The directors of the company during the year, none of whom had any interest in the share capital of the company, were as follows:

R Gubbay
T Kremer

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.

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.

Crestform Limited

Report of the directors for the year ended 31 March 2004 (*Continued*)

Auditors

On 31 December 2003, BDO Stoy Hayward, the company's auditors, transferred its business to BDO Stoy Hayward LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. Accordingly BDO Stoy Hayward resigned as auditors on that date and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

By order of the Board

P Gubbay

Secretary



Date *27 August 2004*

Crestform Limited

Report of the independent auditors

To the shareholders of Crestform Limited

We have audited the financial statements of Crestform Limited for the year ended 31 March 2004 on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and 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.

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 report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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.

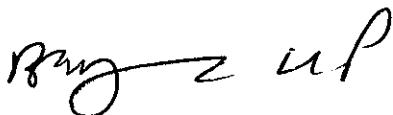
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Crestform Limited

Report of the independent auditors

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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
London

27 August 2004

Crestform Limited**Profit and loss account for the year ended 31 March 2004**

	Note	2004 £	2003 £
Turnover	2	1,919,079	2,885,775
Administrative expenses		1,395,058	2,080,458
Operating profit	5	524,021	805,317
Interest receivable		10,113	12,222
Profit on ordinary activities before taxation		534,134	817,539
Taxation on profit from ordinary activities	6	166,508	266,195
Profit on ordinary activities after taxation		367,626	551,344
Dividends - equity	7	(1,000,000)	(500,000)
Retained (loss)/profit for year	13	(632,374)	51,344

All amounts relate to continuing activities.

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

The notes on pages 7 to 12 form part of these financial statements.

Crestform Limited

Balance sheet at 31 March 2004

	Note	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	8		99,808		125,799
Current assets					
Debtors	9	762,199		249,951	
Cash at bank and in hand		1,314,310		1,077,186	
		<u>2,076,509</u>		<u>1,327,137</u>	
Creditors: amounts falling due within one year	10	<u>2,009,164</u>		<u>653,409</u>	
Net current assets			67,345		673,728
Total assets less current liabilities			<u>167,153</u>		<u>799,527</u>
Capital and reserves					
Called up share capital	12		2		2
Profit and loss account	13		167,151		799,525
Shareholders' funds	14		<u>167,153</u>		<u>799,527</u>

All shareholders' funds are equity.

The financial statements were approved by the Board on *27 August 2004*



R Gubbay
Director

The notes on pages 7 to 12 form part of these financial statements.

Crestform Limited

Notes forming part of the financial statements for the year ended 31 March 2004

1 Accounting policies

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

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

	2004 £	2003 £
Staff costs consist of:		
Wages and salaries	821,946	626,677
Social security costs	96,097	65,952
	918,043	692,629

The average number of employees during the year was 11 (2003 – 11).

Crestform Limited**Notes forming part of the financial statements for the year ended 31 March 2004 (Continued)****4 Directors**

The directors received aggregate emoluments of £374,925 (2003 - £265,167) during the year. The emoluments of the highest paid director were £328,377.

5 Operating profit

	2004 £	2003 £
This is arrived at after charging:		
Depreciation	38,387	66,940
Auditors' remuneration	4,000	4,000
Operating lease rentals in respect of land and buildings	66,000	66,000

6 Taxation on profit from ordinary activities

	2004 £	2003 £
(i) Analysis of tax charge in period		
Current tax:		
UK corporation tax	167,773	252,632
Adjustments in respect of previous periods	-	18,661
Total current tax	167,773	271,293
Deferred tax:		
Origination and reversal of timing differences	(1,265)	(5,098)
	166,508	266,195
(ii) Factors effecting the tax charge for the period:		
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 30%	160,240	245,262
Expenses not deductible for tax purposes	7,363	812
Depreciation for year in excess of capital allowances	170	6,558
Adjustment to tax charge in respect of previous periods	-	18,661
Current tax charge for period	167,773	271,293

Crestform Limited**Notes forming part of the financial statements for the year ended 31 March 2004 (Continued)****7 Dividends**

	2004 £	2003 £
Equity shares:		
Dividend on ordinary shares at £500,000 per share (2003 - £250,000 per share)	1,000,000	500,000

8 Tangible assets

	Fixtures and fittings £
<i>Cost</i>	
At 1 April 2003	294,107
Additions	12,396
At 31 March 2004	306,503
<i>Depreciation</i>	
At 1 April 2003	168,308
Provided for the year	38,387
At 31 March 2004	206,695
<i>Net book value</i>	
At 31 March 2004	99,808
At 31 March 2003	125,799

Crestform Limited

Notes forming part of the financial statements for the year ended 31 March 2004 (Continued)

9 Debtors

	2004 £	2003 £
Trade debtors	728,056	222,316
Other debtors	14,643	8,135
Prepayments and accrued income	19,500	19,500
	<u>762,199</u>	<u>249,951</u>

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

10 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	59,538	10,801
Other creditors	574,289	443,411
Amounts due to parent undertaking	1,167,589	-
Taxes and social security	34,896	26,526
Corporation tax payable	167,852	162,781
Accruals and deferred income	5,000	9,890
	<u>2,009,164</u>	<u>653,409</u>

11 Deferred taxation

	£
At 31 March 2003	(2,831)
Transfer to profit and loss account	(1,265)
	<u>(4,096)</u>
At 31 March 2004 (included within debtors)	<u>(4,096)</u>

Deferred tax is provided as follows:

	Provided 2004 £	Provided 2003 £
Excess of capital allowances over depreciation	<u>(4,096)</u>	<u>(2,831)</u>

Crestform Limited

Notes forming part of the financial statements for the year ended 31 March 2004 (*Continued*)

12 Share capital

	Authorised		Allotted, called up and fully paid	
	2004	2003	2004	2003
	£	£	£	£
Ordinary shares of £1 each	100	100	2	2

13 Profit and loss account

	£
At 31 March 2003	799,525
Loss for the year	(632,374)
At 31 March 2004	167,151

14 Reconciliation of movements in shareholders' funds

	2004	2003
	£	£
Profit for the year	367,626	551,344
Dividends	(1,000,000)	(500,000)
(Reduction)/additions to shareholders' funds	(632,374)	51,344
Opening shareholders' funds	799,527	748,183
Closing shareholders' funds	167,153	799,527

15 Ultimate parent company

At 31 March 2004, the company's ultimate parent company was Prime Commercial Properties Plc.

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

Crestform Limited

Notes forming part of the financial statements for the year ended 31 March 2004 (Continued)

16 Financial commitments

At 31 March 2004, the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2004 £	Land and buildings 2003 £
Operating leases which expire:		
Over five years	66,000	66,000

17 Related party transactions

The company is controlled by Prime Commercial Properties Plc, of which Mr R Gubbay is a director.

The company paid rent of £66,000 to Moveglade Limited, a company controlled by the Gubbay Family, and of which Mr R Gubbay is a director.

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:

	2004 £	2003 £
Rent collection fees receivable	584,965	478,400
Service charge fees receivable	357,447	289,388
Other fees	880,581	1,099,501
Amounts due to the trusts and included within creditors due within one year	1,774,118	420,417

The company was owed a sum of £4,229 (2003 – Nil) by Mr C Gubbay, the son of Mr R Gubbay. The balance was unpaid at 31 March 2004.