

Bovis Construction North Western Limited

Directors' report and
financial statements
Registered number 989307
30 June 2006



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2006.

Principal activities

The company's principal activity is as a development company.

Business review

The results for the year are set out in the attached profit and loss account. The profit after tax for the year was £nil (2005: £328,304).

Directors and directors' interests

Set out below are the directors who served during the year:

A Cutts	(appointed 14 March 2006)
NC Martin	(resigned 14 March 2006)
A Panayi	(appointed 5 August 2005)
AD Silverbeck	(resigned 9 August 2005)

None of the directors who held office at the end of the financial year held any disclosable interest in group undertakings as recorded in the register of directors' interests.

Subsequent to the year end, Mr H Mursell was appointed as a director effective 7 November 2006 but Mr A Panayi resigned as a director effective 7 November 2006.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at a forthcoming General Meeting.

By order of the board


T. Panandran
Company secretary

142 Northolt Road
Harrow
Middlesex
HA2 0EE
7 November 2006

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 period.

In preparing these financial statements, the directors are required to:

- ☐ select suitable accounting policies and then apply them consistently;
- ☐ make judgments and estimates that are reasonable and prudent;
- ☐ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP

PO Box 685
8 Salisbury Square
London
EC4Y 8BB

Independent auditors report to the members of Bovis Construction North Western Limited

We have audited the financial statements of Bovis Construction North Western Limited for the year ended 30 June 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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.


Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2006 and of its result for the year then ended; the financial statements have been properly prepared in accordance with the Companies Act 1985; and the information given in the Directors' Report is consistent with the financial statements.


KPMG LLP
Chartered Accountants
Registered Auditor

8 Salisbury Square
London
EC4Y 8BB
17 November 2006

Profit and loss account
For the year ended 30 June 2006

	<i>Note</i>	30 June 2006 £	30 June 2005 £
Turnover		-	-
Administrative income		-	-
		<hr/>	<hr/>
Operating profit		-	-
Profit on sale of property		-	469,006
		<hr/>	<hr/>
Profit on ordinary activities before interest		-	469,006
Interest payable and similar charges		-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	-	469,006
Tax on profit on ordinary activities	5	-	(140,702)
		<hr/>	<hr/>
Profit on ordinary activities after taxation	8	-	328,304
Retained loss brought forward		(90,750)	(419,054)
		<hr/>	<hr/>
Retained loss carried forward		(90,750)	(90,750)
		<hr/>	<hr/>

There is no material difference between the results disclosed in the profit and loss account and the result given on an unmodified historical cost basis.

There were no recognised gains or losses in the year (2005: *£nil*) other than those shown above and no activities were discontinued in the period.

Balance sheet
As at 30 June 2006

	<i>Note</i>	30 June 2006	30 June 2005
		£	£
Current assets			
Debtors	6	520,236	520,236
Creditors: amounts falling due within one year	7	<u>(610,886)</u>	<u>(610,886)</u>
Net current liabilities		(90,650)	(90,650)
Net liabilities		<u>(90,650)</u>	<u>(90,650)</u>
 Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		<u>(90,750)</u>	<u>(90,750)</u>
Equity shareholders' deficit	8	<u>(90,650)</u>	<u>(90,650)</u>

These financial statements were approved by the board of directors on
 signed on its behalf by:

7 November, 2006 and were



H Mursell
 Director

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Under Financial Reporting Standard No.1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

The related party transactions note included in the consolidated financial statements of the intermediary parent undertaking complies with the conditions of Financial Reporting Standard No.8 'Related Party Transactions'. The company is therefore exempt from the requirement to prepare a separate note.

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Bovis Lend Lease Limited, the company's immediate holding undertaking. Bovis Lend Lease Limited has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result in this basis of preparation being inappropriate.

Taxation

The charge for taxation is based on the result for the year and takes into account deferred taxation. In accordance with FRS 19 'Deferred Tax', deferred taxation is provided fully and on a non discounted basis at future corporation tax rates in respect of timing differences between profits computed for taxation and accounts purposes.

2 Result on ordinary activities before taxation

The remuneration of the auditors for the current and prior accounting years has been borne by a fellow group undertaking.

3 Remuneration of directors

The directors did not receive any remuneration from the company for their services during the year (2005: £nil).

Notes to the financial statements *(continued)*

4 Staff numbers and costs

The company did not directly employ any staff during the year (2005: nil).

5 Taxation

(a) Analysis of charge in year

	30 June 2006 £	30 June 2005 £
Current tax		
UK corporation tax on profits for the year at 30% (note 5(b))	-	140,702
Tax on profit on ordinary activities	-	140,702

(b) Factors affecting tax charge for year

The tax assessed for the year is the same as the standard rate of corporation tax (30%):

	30 June 2006 £	30 June 2005 £
Profit on ordinary activities before tax	-	469,006
Profit on ordinary activities multiplied by tax in the UK of 30% standard rate of corporation	-	140,702
Current tax charge for year (note 5(a))	-	140,702

(c) Factors affecting future tax charges

Future effective rates may vary due to adjustments for previous years.

6 Debtors

	30 June 2006 £	30 June 2005 £
Amounts owed from group companies	520,236	520,236

Notes to the financial statements *(continued)*

7 Creditors: amounts falling due within one year

	30 June 2006 £	30 June 2005 £
Amounts owed to parent and fellow subsidiary undertaking	610,886	470,184
Corporation tax	-	140,702
	<u>610,886</u>	<u>610,886</u>

8 Reconciliation of movements in shareholders' deficit

	30 June 2006 £	30 June 2005 £
Profit on ordinary activities after taxation	-	328,304
Opening equity shareholders' deficit	(90,650)	(418,954)
Closing equity shareholders' deficit	<u>(90,650)</u>	<u>(90,650)</u>
Operating profit		

9 Called up share capital

	30 June 2006 £	30 June 2005 £
<i>Authorised, allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10 Contingent liabilities

There are claims outstanding which arise under contracts carried out by the company in the ordinary course of business. It is not possible to predict with any certainty the results of these claims but the directors believe, taking into account counter-claims, claims against third parties and provisions in the accounts, that the outcome will not have a material effect on the company's financial position.

Notes to the financial statements *(continued)*

11 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Bovis Lend Lease Limited, which is registered in England and Wales. Its ultimate parent undertaking is Lend Lease Corporation Limited, which is incorporated in Australia.

The largest group in which the results of the company are consolidated is that headed by Lend Lease Corporation Limited. The consolidated financial statements of this group may be obtained from Level 4, 30 The Bond, 30 Hickson Road, Millers Point, New South Wales, Australia, 2000 or from its website at www.lendlease.com.au.

The smallest group in which the financial statements of the company are consolidated is that headed by Lend Lease Europe Holdings Limited. The consolidated financial statements of this group may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.