

Bovis Construction North Western Limited

**Directors' report and
financial statements
Registered number 989307
30 June 2001**



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 2001.

Principal activities

The company did not trade during the year.

Proposed dividend

The directors do not recommend the payment of a final dividend (2000: *£nil*) and no interim dividend was paid (2000: *£278,000*).

Directors and directors' interests

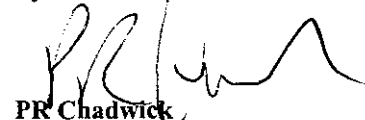
Set out below are the directors who served during the year:

PR Chadwick
AD Silverbeck (appointed 1 July 2000)

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.

No other directors served during the year.

By order of the board



PR Chadwick
Company secretary

142 Northolt Road
Harrow
Middlesex
HA2 0EE

24 January 2002

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 period. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the 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
PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Report of the auditors to the members of Bovis Construction North Western Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

Basis of audit 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 30 June 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditor

2002

Profit and loss account
for the year ended 30 June 2001

	<i>Note</i>	Year ended 30 June 2001	18 month period ended 30 June 2000
		£	£
Operating profit		-	-
Administrative expenses		-	32
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	-	32
Tax on profit on ordinary activities	4	-	194
		<hr/>	<hr/>
Profit on ordinary activities after taxation		-	226
Dividends paid	5	-	(278,000)
		<hr/>	<hr/>
Retained loss for the financial year		-	(277,774)
		<hr/>	<hr/>

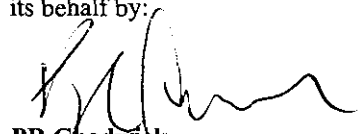
No operations were acquired or discontinued during the year (2000: none). There is no material difference between the results disclosed in the profit and loss account and the result given on an unmodified historical cost basis.

There were no gains or losses recognised in the year (2000: £nil) other than those shown above.

Balance sheet
as at 30 June 2001

	<i>Note</i>	30 June 2001		30 June 2000	
		£	£	£	£
Fixed assets					
Tangible assets	6		1		1
Investments	7		-		-
			<hr/>		<hr/>
			1		1
Current assets					
Debtors	8	1,824,607		2,417,620	
Creditors: amounts falling due within one year	9	(1,823,562)		(2,416,575)	
		<hr/>		<hr/>	
Net current assets			1,045		1,045
			<hr/>		<hr/>
Net assets			1,046		1,046
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	11	100		100	
Profit and loss account		946		946	
		<hr/>		<hr/>	
Equity shareholders' funds	10	1,046		1,046	
		<hr/>		<hr/>	

These financial statements were approved by the board of directors on *24 January* 2002 and were signed on its behalf by:


PR Chadwick
 Director

Notes

(forming part of 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.

Investments

Fixed asset investments are stated at cost or cost less provision where there is a permanent diminution in value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

2 Profit on ordinary activities before taxation

The remuneration of the auditors for the current and prior accounting periods 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 (2000: £nil).

4 Taxation

	Year ended 30 June 2001	18 month period ended 30 June 2000
	£	£
Over provision in prior periods	-	194
	<hr/>	<hr/>

Notes (continued)

5 Dividends

	Year ended 30 June 2001	18 month period ended 30 June 2000
	£	£
Interim dividend paid	-	278,000
	<u> </u>	<u> </u>

6 Tangible fixed assets

	30 June 2001	30 June 2000
	£	£
Freehold land and buildings	1	1
	<u> </u>	<u> </u>

7 Fixed asset investments

	30 June 2001	30 June 2000
	£	£
Unsecured loan stock in London Docklands Arena Limited	600,000	600,000
Less: Provision	(600,000)	(600,000)
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

8 Debtors

	30 June 2001	30 June 2000
	£	£
Other debtors	1,824,607	2,417,620
	<u> </u>	<u> </u>

Other debtors represents expenditure on a development at Filey Street, Bradford. The recovery of these costs is dependent on the ultimate sale of the sites being developed, together with a council guarantee of £1.1 million, which was paid over to the company after the year end. The directors consider that the amount disclosed in these financial statements will be fully recoverable.

Notes *(continued)*

9 Creditors: amounts falling due within one year

	30 June 2001	30 June 2000
	£	£
Amounts owed to parent and fellow subsidiary undertakings	1,823,562	2,416,575

10 Reconciliation of movements in shareholders' funds

	Year ended 30 June 2001	18 month period ended 30 June 2000
	£	£
Profit on ordinary activities after taxation	-	226
Dividends paid	-	(278,000)
Net movement in equity shareholders' funds	-	(277,774)
Opening equity shareholders' funds	1,046	278,820
Closing equity shareholders' funds	1,046	1,046

Notes (continued)

11 Called up share capital

	30 June 2001	30 June 2000
	£	£
<i>Authorised, allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>

12 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 46, Australia Square, George Street, Sydney, Australia.

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.