

Elstead Properties Limited
Directors' report and financial
statements
Registered number 1683272
30 June 2000



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2000.

Principal activities

Elstead Properties Limited is an investment holding company.

Results dividends and business review

The results for the year ended 30 June 2000, as disclosed on page 4, show a profit of £nil (*period from 21 July 1998 to 30 June 1999: profit of £427,000*). The directors do not recommend the payment of a dividend.

Elstead Properties Limited holds the investment in Tanshire Limited, the holding company for the operating subsidiaries of Bovis Tanvec Group Limited.

Directors and directors' interests

The directors who held office during the year were as follows:

JF Haggett
PH Janssenswillen (resigned 28 February 2001)
PJ Wilkinson

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

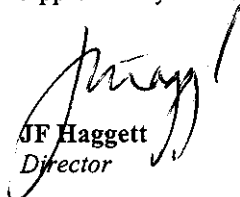
The above directors are also directors of Bovis Tanvec Group Limited, the company's holding company at 30 June 2000. Their interests in the share capital of that company are disclosed in the financial statements of that company.

Auditors

On 4 July 2000, PricewaterhouseCoopers resigned as auditors and KPMG were appointed.

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the board and signed on its behalf


JF Haggett
Director

19 April 2001

Statement of 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 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 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 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.



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Report of the auditors to the members of Elstead Properties 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 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 2000 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 Auditors

23 April 2001

Profit and loss account
for the year ended 30 June 2000

	<i>Note</i>	Year ended 30 June 2000	Period from 21 July 1998 to 30 June 1999
		£	£
Dividends receivable		-	427,000
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	-	427,000
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Profit for the financial year		-	427,000
Dividends	4	-	(465,000)
		<hr/>	<hr/>
Retained profit/(loss) accumulated for the financial year	9	-	(38,000)
		<hr/>	<hr/>

The company had no recognised gains or losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet

At 30 June 2000

	Notes	2000 £	1999 £
Fixed assets			
Investments	5	1,251,000	1,251,000
Current assets			
Debtors	6	304,761	304,761
Cash at bank and in hand		-	-
		<u>304,761</u>	<u>304,761</u>
Creditors: amounts falling due within one year		<u>-</u>	<u>-</u>
Net current assets		<u>304,761</u>	<u>304,761</u>
Net assets		<u>1,555,761</u>	<u>1,555,761</u>
Capital and reserves			
Called up share capital	7	1,533,400	1,533,400
Share premium account	8	22,350	22,350
Profit and loss account	8	11	11
		<u>1,555,761</u>	<u>1,555,761</u>
Equity shareholders' funds	9	<u>1,555,761</u>	<u>1,555,761</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 19 April 2001 and were signed on its behalf by:


JF Haggett
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.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

Fixed assets investments

Investments are stated at cost less provisions for impairment in value.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Post retirement benefits

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

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.

Notes (continued)

2 Profit on ordinary activities before taxation

Administration costs, including auditors' remuneration, have been borne by the parent company, Bovis Tanvec Group Limited.

3 Remuneration of directors

The remuneration of the directors, all of whom are directors of Bovis Tanvec Group Limited, the company's holding company, are shown in that company's accounts.

4 Dividends

	2000 £	1999 £
<i>Equity shares</i>		
1 st interim paid: nil (1999: 14.3p) per £1 share	-	220,000
2 nd interim paid: nil (1999: 16.0p) per £1 share	-	245,000
	<hr/>	<hr/>
	-	465,000
	<hr/>	<hr/>

5 Fixed asset investments

	Shares in Subsidiary undertakings £
At beginning of year and end of year	1,251,000
	<hr/>

The company's investment consists of the entire issued share capital of Tanshire Limited, a company incorporated in England. The principal activity of the company is to hold investments in the trading subsidiaries of the group.

Notes (continued)

6 Debtors

	2000 £	1999 £
Amounts due from group undertakings	304,761	304,761

7 Called up share capital

	2000 £	1999 £
<i>Authorised</i> 1,551,000 ordinary shares of £1 each	1,551,000	1,551,000
<i>Allotted, called up and fully paid</i> 1,533,400 ordinary shares of £1 each	1,533,400	1,533,400

8 Share premium and reserves

	Share Premium Account £	Profit and Loss account £
At 30 June 1999	22,350	11
Retained profit for the year	-	-
	22,350	11

9 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Results for the financial year	-	427,000
Dividend paid	-	(465,000)
	-	(38,000)
Shareholders' funds at 1 July 1999	1,555,761	1,593,761
Shareholders' funds at 30 June 2000	1,555,761	1,555,761

Notes (continued)

10 Contingent liabilities

The company has given cross guarantees and floating charges over its assets in respect of facilities granted to group companies. No loss is expected to arise in connection with these arrangements.

11 Events during the year

On 2 August 1999 the ultimate parent company and ultimate controlling party became The Peninsular and Oriental Steam Navigation Company.

On 29 October 1999 the ultimate parent company and ultimate controlling party became Lend Lease Corporation Limited, a company incorporated in Australia.

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 Tanvec Group Limited, a company incorporated 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 they are consolidated is that headed by Bovis Tanvec Group Limited, incorporated in England and Wales. The consolidated financial statements of this group are available to the public and may be obtained from Tanshire House, Shackleford Road, Elstead, Surrey, GU8 6LB.