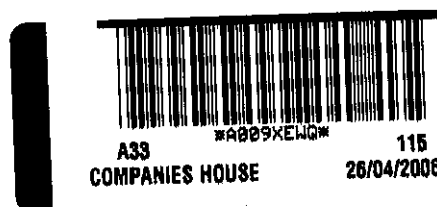


**Bovis Lelliott Limited**

**Directors' report and  
financial statements**

**Registered number 2989801**

**30 June 2005**



## **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 2005.

### Principal activities

The company's principal activity is as a provider of project solutions in the construction industry.

### 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 £15,000 (2004: £184,000).

### Proposed dividend

The directors do not recommend the payment of a final dividend (2004: *£nil*).

### Directors and directors' interests

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

M Howes

A 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 A Panayi was appointed a director effective 5 August 2005 and Mr A Silverbeck resigned as a director effective 9 August 2005.

### 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 Janandran

Company secretary

142 Northolt Road  
Harrow  
Middlesex  
HA2 0EE

12 April 2006

### **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 a 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 LLP

PO Box 685,  
8 Salisbury Square  
London  
EC4Y 8BB

### Independent auditors report to the members of Bovis Lelliott Limited

We have audited the financial statements on pages 4 to 10.

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 the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept 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 that we have formed.

#### 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 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.

#### 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 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP  
Chartered Accountants  
Registered Auditor

8 Salisbury Square  
London  
EC4Y 8BB

**Profit and loss account**  
*for the year ended 30 June 2005*

	<i>Note</i>	<b>30 June 2005</b> <b>£000</b>	30 June 2004 £000
<b>Turnover</b>	<i>1,2</i>	<b>735</b>	610
Cost of sales		<b>(721)</b>	(353)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>14</b>	257
Administration expenses		<b>(6)</b>	(4)
		<hr/>	<hr/>
<b>Operating profit</b>		<b>8</b>	253
Interest receivable and similar income		<b>13</b>	9
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	<i>3</i>	<b>21</b>	262
Tax on profit on ordinary activities	<i>6</i>	<b>(6)</b>	(78)
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		<b>15</b>	184
Retained profit brought forward		<b>725</b>	541
		<hr/>	<hr/>
<b>Retained profit carried forward</b>	<i>10</i>	<b>740</b>	725
		<hr/>	<hr/>

No operations were acquired or discontinued during the year (2004: 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 recognised gains and losses in the year (2004: £nil) other than those shown above.

**Balance sheet**  
*as at 30 June 2005*

	Note	30 June 2005		30 June 2004	
		£000	£000	£000	£000
<b>Current assets</b>					
Debtors	7	252		525	
Cash at bank and in hand		722		521	
		<hr/>		<hr/>	
		974		1,046	
<b>Creditors: amounts falling due within one year</b>	8	(234)		(321)	
		<hr/>	740	<hr/>	725
<b>Net assets</b>			<hr/>		<hr/>
			740		725
<b>Capital and reserves</b>					
Called up share capital	9	-		-	
Profit and loss account	10	740		725	
		<hr/>		<hr/>	
<b>Equity shareholders' funds</b>	10		740		725
			<hr/>		<hr/>

These financial statements were approved by the board of directors on *12 April* 2006 and were signed on its behalf by:

**A Panayi**  
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.

#### *Turnover*

Turnover represents the value of work performed during the period, exclusive of value added tax.

#### *Profits*

Profits are brought to account:

- for property construction, progressively at an amount equivalent to general overheads or an amount equivalent to the value of work performed when the outcome of a contract can be reliably determined (the company does not consider that the outcome of a construction contract can be reliably determined until it is at least 50% complete);
- for goods and services, when such goods or services have been supplied or rendered.

Stage of completion is measured by reference to actual costs to date as a percentage of total forecast costs for each contract. Provision is made for losses incurred or foreseen in bringing the contract to completion as soon as they become apparent.

#### *Amounts recoverable on contracts*

Amounts recoverable on contracts are included at cost plus attributable profit estimated to be earned to date, less provision for foreseeable losses and less progress payments received and receivable.

#### *Payments received on account*

Any excess of progress payments received and receivable on contracts over cost plus attributable profit estimated to be earned to date, less provisions for foreseeable losses, is included in creditors.

#### *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 accounting purposes.



## Notes to the financial statements *(continued)*

### 2 Segmental information

The company's turnover and results arose from, and the company's net assets are deployed in, providing project solutions in the construction industry in the United Kingdom.

### 3 Profit 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.

### 4 Remuneration of directors

The directors did not receive any remuneration from the company for their services during the year (2004: £nil).

### 5 Staff numbers and costs

The company did not directly employ any staff during the year (2004: nil).

The remuneration and pension contributions of staff and directors are borne by a fellow group undertaking which recovered their costs by way of a management charge to the company. The management charge was £4,000 (2004: £3,400).

### 6 Tax on profit on ordinary activities

#### (a) Analysis of charge in year

	30 June 2005 £000	30 June 2004 £000
Current tax:		
UK corporation tax expense on profits for the year at 30% (note 6 (b))	6	78
	<hr/>	<hr/>
Tax on profit on ordinary activities	6	78
	<hr/>	<hr/>

## Notes to the financial statements *(continued)*

### 6 Tax on profit on ordinary activities *(continued)*

#### (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 2005 £000	30 June 2004 £000
Profit on ordinary activities before tax	21	262
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	6	78
Current tax charge for year (note 6 (a))	6	78

#### (c) Factors that may affect future tax charges

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

#### (d) Deferred taxation

	30 June 2005 £000	30 June 2004 £000
Deferred tax asset at start of year	-	6
Deferred tax asset transferred to group undertaking	-	(6)
Deferred tax asset at end of year	-	-

The deferred tax asset relates to short term timing differences.

## Notes to the financial statements *(continued)*

### 7 Debtors

	30 June 2005 £000	30 June 2004 £000
Trade debtors	34	111
Amounts owed by parent and subsidiary undertakings	191	273
Amounts recoverable on contracts	24	135
Other debtors	3	6
	<hr/> 252	<hr/> 525
	<hr/> <hr/>	<hr/> <hr/>

### 8 Creditors: amounts falling due within one year

	30 June 2005 £000	30 June 2004 £000
Payments received on account	-	105
Amounts owed to parent and fellow subsidiary undertakings	225	136
Corporation tax	6	78
Other creditors including taxation and social security	3	2
	<hr/> 234	<hr/> 321
	<hr/> <hr/>	<hr/> <hr/>

### 9 Share capital

	30 June 2005 £	30 June 2004 £
<i>Authorised share capital</i>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

## Notes to the financial statements *(continued)*

### 10 Reconciliation of movements in equity shareholders' funds

	30 June 2005 £000	30 June 2004 £000
Opening equity shareholders' funds	725	541
Retained profit for the year	15	184
	<hr/>	<hr/>
Closing equity shareholders' funds	740	725
	<hr/>	<hr/>

### 11 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.

### 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 Holdings 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](http://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.