

**FAIRVIEW (STRATEGIC LAND) LIMITED**

**Report and Financial Statements**

**31 December 2001**

**Deloitte & Touche  
London**



**REPORT AND FINANCIAL STATEMENTS 2001**

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## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 December 2001.

### **PRINCIPAL ACTIVITY**

The company's principal activity is that of residential property developer. The company is a 50% partner in the Fairfield Partnership, an entity engaged in the development of land.

The directors do not foresee that there will be any changes in the company's activities during the current year.

### **REVIEW OF BUSINESS AND RESULTS**

The directors regard progress as satisfactory. The results are set out on page 4. No dividend was paid or proposed during the year (2000 – £nil). The profit for the year ended 31 December 2001 of £26,920 (2000 – £348,568) has been transferred to reserves.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served throughout the year and to date are set out below.

S C Casey

G A Malton (appointed 8 February 2001)

R H Westcott (resigned 30 April 2001)

The directors had no interests in the company during this year or the prior year. S C Casey and G A Malton are also directors of the ultimate parent company, General London Constructors Holdings Limited. Directors' interests in the ultimate parent company are detailed in the group financial statements.

On 21 December 2000, as part of the arrangement for a recommended cash offer for Fairview Holdings Plc, the directors holding shares in Fairview Holdings Plc entered into an agreement for the sale of their shares to General London Constructors Limited. The terms of this offer became wholly unconditional on 26 January 2001 and the shares of Fairview Holdings Plc were de-listed on the London Stock Exchange on 26 February 2001. Gains made by the directors on the exercise of share options have been disclosed in the group accounts.

None of the directors has a service contract or contract for services with the company.

### **AUDITORS**

Pursuant to section 386 of the Companies Act 1985 an elective resolution has been passed to dispense with the requirement to reappoint auditors annually.

By order of the board



D K Tipping  
Secretary

29 October 2002

Registered office:

50 Lancaster Road  
Enfield  
Middlesex EN2 0BY

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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; 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 the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIRVIEW  
(STRATEGIC LAND) LIMITED**

We have audited the financial statements of Fairview (Strategic Land) Limited for the year ended 31 December 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

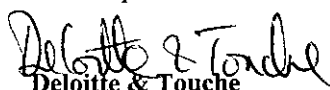
**Basis of audit opinion**

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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Deloitte & Touche

Chartered Accountants and Registered Auditors  
London

30 October

2002

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2001**

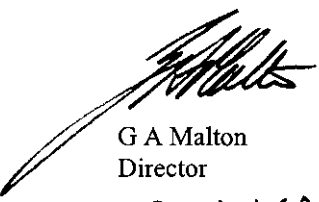
	Note	2001 £	2000 £
<b>TURNOVER</b>		-	506,685
<b>GROSS PROFIT</b>		-	506,685
Administrative expenses		(3,101)	-
Share of partnership losses		(62,130)	-
<b>OPERATING (LOSS)/PROFIT</b>	2	(65,231)	506,685
Net interest receivable	3	95,061	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		29,830	506,685
Tax charge on profit on ordinary activities	4	(2,910)	(158,117)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		26,920	348,568
<b>Retained profit for the year</b>	9	26,920	348,568

All activities derive from continuing operations. There are no recognised gains or losses or movements in shareholders' funds for the current financial year and preceding financial year other than as stated in the profit and loss account.

**BALANCE SHEET**  
**31 December 2001**

	Note	2001 £	2000 £
<b>CURRENT ASSETS</b>			
Debtors	5	2,556,270	1,275,823
<b>CREDITORS: amounts falling due within one year</b>	6	(2,023,604)	(860,196)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	7	(157,176)	(67,057)
<b>NET ASSETS</b>		<u>375,490</u>	<u>348,570</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	8	2	2
Profit and loss account	9	<u>375,488</u>	<u>348,568</u>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u>375,490</u>	<u>348,570</u>

Approved by the board



G A Malton  
Director

29 October 2002

# NOTES TO THE ACCOUNTS

## Year ended 31 December 2001

### 1. ACCOUNTING POLICY

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention. The company is a 50% partner in the Fairfield Partnership, an entity engaged in the development of land. The company's share of the partnership's profits are included within the profit and loss account and the company's share of the partnership's assets and liabilities are shown in the balance sheet on an equity basis.

### 2. OPERATING (LOSS)/PROFIT

The company has had no employees during the current or the preceding year. None of the directors has received any emoluments or other benefits in the current or preceding year. Auditors' remuneration was borne by the parent company in both the current and preceding years.

### 3. NET INTEREST RECEIVABLE

	2001 £	2000 £
Interest due from partnership	123,050	-
Share of partnership interest payable	(27,989)	-
	<u>95,061</u>	<u>-</u>

### 4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
United Kingdom corporation tax at 30% (2000 – 30%)	25,647	158,117
Overprovision in respect of previous years	(22,737)	-
	<u>2,910</u>	<u>158,117</u>

### 5. DEBTORS

	2001 £	2000 £
Amount due from partnership	<u>2,556,270</u>	<u>1,275,823</u>

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Amount owed to group undertakings	1,862,577	620,976
Corporation tax	161,027	158,117
Accruals and deferred income	-	81,103
	<u>2,023,604</u>	<u>860,196</u>



# NOTES TO THE ACCOUNTS

## Year ended 31 December 2001

### 7. PROVISIONS FOR LIABILITIES AND CHARGES

	£
Balance 1 January 2001	67,057
Share of increase in net liabilities of partnership	90,119
	<hr/>
Balance 31 December 2001	157,176
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The provision represents the company's share of the Fairfield Partnership's net liabilities.

### 8. CALLED UP EQUITY SHARE CAPITAL

	2001 £	2000 £
Authorised share capital:		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 9. PROFIT AND LOSS ACCOUNT

	£
Balance 1 January 2001	348,568
Retained profit for the year	26,920
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Balance 31 December 2001	375,488
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### 10. ULTIMATE PARENT COMPANY

At 31 December 2001 the ultimate parent company and controlling party was General London Constructors Holdings Limited, a company incorporated in Great Britain. The immediate parent company is Fairview New Homes Limited, a company incorporated in Great Britain.

An offer for Fairview Holdings Plc by General London Constructors Limited was declared wholly unconditional on 26 January 2001 and accordingly General London Constructors Holdings Limited became the ultimate parent company on that date. During the year Fairview Holdings Plc re-registered as a private company and changed its name to Fairview Holdings Limited.

The largest and smallest groups of undertakings for which group accounts to 31 December 2001 are drawn up and of which the company is a member are General London Constructors Holdings Limited and Fairview Holdings Limited respectively. Copies of the group accounts may be obtained from 50 Lancaster Road, Enfield, Middlesex EN2 0BY.

### 11. RELATED PARTY TRANSACTIONS

The company is a 50% partner in the Fairfield Partnership, an entity engaged in the development of land. In accordance with FRS 8 "Related Party Disclosures", transactions with other undertakings within the group have not been disclosed in these financial statements.