

FAIRVIEW (STRATEGIC LAND) LIMITED
(formerly Fairview New Homes (Braintree)
Limited)

Report and Financial Statements

31 December 1999

Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR



REPORT AND FINANCIAL STATEMENTS 1999

CONTENTS	Page
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Balance sheet	4
Notes to the accounts	5

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 1999.

ACTIVITIES AND REVIEW OF DEVELOPMENTS

The company has not traded during the year. The company's principal activity will be that of property developer. The directors do not foresee that there will be any change to the activity in the current year.

CHANGE OF NAME

On 9 April 1999, the company changed its name to Fairview (Strategic Land) Limited.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are set out below.

The directors' interests, including their beneficial and family interests, in the ordinary 10p shares and options of the ultimate parent company, Fairview Holdings Plc, are as follows:

	Shares		Share options	
	1999 No.	1998 No.	1999 No.	1998 No.
S C Casey	180,467	180,467	4,036	3,028
J B Cousins (resigned 9 April 1999)	144,344	144,344	-	-
R H Westcott	139,559	139,559	-	-

The directors had no interests in the company or any other group companies apart from those listed above.

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

YEAR 2000

The Board recognises the ongoing implications of Year 2000 issues for the business. An assessment has been made by the senior management of the possible impact on office equipment, information systems and environmental equipment owned by the company. Consideration has also been given to the action being taken by our trading partners, suppliers of materials, subcontractors and banks. To date no significant Year 2000 issues have arisen.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



D K Tipping
Secretary

11 July 2000

Registered Office:

50 Lancaster Road
Enfield
Middlesex
EN2 0BY

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 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;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE MEMBERS OF
FAIRVIEW (STRATEGIC LAND) LIMITED
(formerly Fairview New Homes (Braintree) Limited)**

We have audited the financial statements on pages 4 to 6 which have been prepared under the accounting policy set out on page 5.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

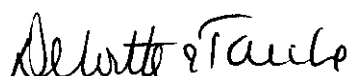
Basis of opinion

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 31 December 1999 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE

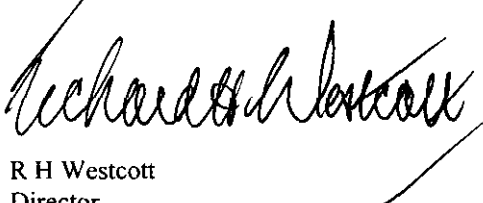
Chartered Accountants and
Registered Auditors

14 August 2000

BALANCE SHEET
31 December 1999

	Note	1999 £	1998 £
CURRENT ASSETS			
Debtors	3	642,315	2
		<u>642,315</u>	<u>2</u>
CREDITORS: amounts falling due within one year	4	(642,313)	-
		<u>(642,313)</u>	<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up equity share capital	5	2	2
		<u>2</u>	<u>2</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS'		<u>2</u>	<u>2</u>

Approved by the Board


 R H Westcott
 Director

11 July 2000

NOTES TO THE ACCOUNTS
Year ended 31 December 1999

1. ACCOUNTING POLICY

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

Accounting convention

The financial statements are prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The company has not traded during the year ended 31 December 1999 or the preceding financial year.

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 the current and preceding year.

3. DEBTORS

	1999 £	1998 £
Amount due from Fairview New Homes Plc	2	2
Other debtors	642,313	-
	<u>642,315</u>	<u>2</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Amount due to Fairview New Homes Plc	642,313	-
	<u>642,313</u>	<u>-</u>

5. CALLED UP EQUITY SHARE CAPITAL

	1999 £	1998 £
Authorised share capital: 100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Called up, allotted and fully paid: 2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 1999

6. ULTIMATE PARENT COMPANY

The ultimate parent company and controlling party is Fairview Holdings Plc, a company incorporated in Great Britain. The immediate parent company is Fairview New Homes Plc, a company incorporated in Great Britain.

The largest and smallest group of undertakings for which group accounts are drawn up and of which the company is a member is Fairview Holdings Plc. Copies of the group accounts may be obtained from 50 Lancaster Road, Enfield, Middlesex EN2 0BY.

7. RELATED PARTY TRANSACTIONS

In accordance with FRS 8 "Related Party Disclosures", transactions with other undertakings within the group have not been disclosed in these financial statements.