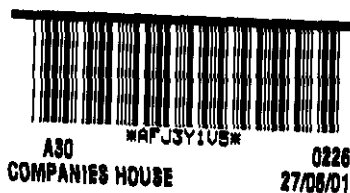


Company Number: 3234235

**GOVERNEFFECT LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

Year ended 31 December 2000



## GOVERNMENT LIMITED

Board of Directors

Mr. P.W.B. Cole  
Mr. A.F. Pritchard  
Mr. R.J.G. Richards  
Mr. G.H. Wright

Secretary and Registered Office

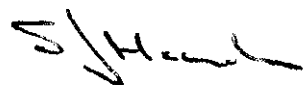
Mr. S.J. Haydon  
100 Park Lane  
London  
W1K 7AR

### NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 8-10 Portland Terrace, Southampton on 22 May 2001 for the following purposes:

1. To receive the report of the directors and financial statements for the year ended 31 December 2000.
2. To re-appoint Deloitte & Touche as auditors of the Company.
3. To determine the auditors' remuneration.

By order of the Board



S.J. Haydon  
Secretary  
22 May 2001

Registered Office:  
100 Park Lane  
London W1K 7AR  
Registered in England Number 3234235

### Notes:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. That proxy need not also be a member of the Company. Any instrument appointing a proxy must be deposited at the Company's Registered Office by not later than 48 hours before the time fixed for the meeting.

## GOVERN EFFECT LIMITED

### REPORT OF THE DIRECTORS

Year ended 31 December 2000

#### 1. PRINCIPAL ACTIVITIES

The principal activity of the Company is property investment. The directors anticipate that the Company will continue to hold investments for the foreseeable future.

#### 2. DIVIDEND

No dividend was paid or proposed during the year (1999: £ Nil).

#### 3. REVIEW OF DEVELOPMENTS AND FUTURE PROPECTS

The Company has not traded during the year and consequently has made neither a profit nor loss. The directors expect that the present level of activity will not change for the foreseeable future.

#### 4. DIRECTORS

- (a) Mr. P.W.B. Cole, Mr. A.F. Pritchard, Mr. R.J.G. Richards and Mr. G.H. Wright were directors of the Company throughout the year.
- (b) Mr. M.J. Kill and Mr. B. Teale resigned as directors of the company on 13 December 2000.
- (c) In accordance with the Articles of Association of the Company, the directors are not required to retire by rotation.
- (d) None of the directors had any interest in the shares of the Company.
- (e) No director has any interest in contracts entered into by the Company.

#### 5. SECRETARY

Miss C.F. Carson resigned as Secretary on 23 August 2000 and Mr. S.J. Haydon was appointed as Secretary on 23 August 2000.


**GOVERN EFFECT LIMITED**

**REPORT OF THE DIRECTORS**  
Year ended 31 December 2000

6. AUDITORS

Deloitte & Touche have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1985 and a resolution proposing their re-appointment will be put to the members at the Annual General Meeting.

By order of the Board



S.J. Haydon  
Secretary  
22 May 2001

Registered Office:  
100 Park Lane  
London W1K 7AR  
Registered in England and Wales No. 3234235

## **GOVERNMENT LIMITED**

### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS**

The directors are required by company law 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 the year.

The directors ensure that in preparing financial statements, suitable accounting policies have been applied consistently, reasonable and prudent judgements and estimates made, applicable accounting standards have been followed, and that it is appropriate to use the going concern basis.

The directors are responsible for maintaining adequate accounting records so as to enable them to comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

## GOVERN EFFECT LIMITED

### AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 6 to 9 which have been prepared under the accounting policies set out on page 7.

#### Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of the financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 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 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche*

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

Chartered Accountants  
and Registered Auditors  
~~22 May 2001~~

*7 June*

## GOVERNEFFECT LIMITED

### PROFIT AND LOSS ACCOUNT

Year ended 31 December 2000

The Company has not traded during the current or preceding years and has made neither profit nor loss. There are no other recognised gains and losses and therefore no separate statement of total recognised gains and losses has been presented.

### BALANCE SHEET

As at 31 December 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Investments	3	1,500	1,500
CURRENT ASSETS			
Debtors	4	2	2
CREDITORS: amounts falling due within one year	5	(1,500)	(1,500)
NET CURRENT LIABILITIES		(1,498)	(1,498)
TOTAL ASSETS LESS CURRENT LIABILITIES		2	2
CAPITAL AND RESERVES			
Called up share capital	6	2	2
Equity shareholders' funds		2	2

There have been no other movements in shareholders' funds during the current or preceding years, therefore no separate statement of the movement in shareholders' funds has been presented.

The financial statements were approved by the Board of Directors on 22 May 2001.

Signed on behalf of the Board of Directors



## GOVERN EFFECT LIMITED

### NOTES TO THE ACCOUNTS

Year ended 31 December 2000

#### 1. ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with all applicable accounting standards and in compliance with the Companies Act 1985.

##### (b) Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

#### 2. ADMINISTRATION EXPENSES

The Company has not paid any director emoluments during the current or preceding years. As the Company is non-trading the services of the directors are of a non-executive nature, and their emoluments are deemed wholly attributable to their services to other group companies. Accordingly, no director emoluments are disclosed for the current or preceding years.

The Company did not pay any remuneration, including expenses, to the Company's auditors. The auditors' remuneration has been paid by a controlling party in both the current and preceding financial years.

The Company has not had any employees at any point during the current or preceding years.

#### 3. INVESTMENTS

	2000	1999
	£	£
Cost	<u>1,500</u>	<u>1,500</u>

The above investment comprises 0.01% beneficial interest in a protective lease on the site of a shopping centre investment. The balance of the interest is held by the immediate parent company.



# GOVERN EFFECT LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 December 2000

### 4. DEBTORS

	2000 £	1999 £
Amount owed by immediate parent company	<u>2</u>	<u>2</u>

The above amount is due after more than one year.

### 5. CREDITORS

	2000 £	1999 £
Amount owed to immediate parent company	<u>1,500</u>	<u>1,500</u>

### 6. SHARE CAPITAL

	2000 £	1999 £
Authorised: 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and unpaid: 2 Ordinary share of £1 each	<u>2</u>	<u>2</u>

### 7. CASH FLOW AND RELATED PARTY DISCLOSURE

As the Company has not traded during the current or preceding year there is no cash flow information to disclose.

The Company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Hammerson plc group.

In the opinion of the directors there are no other related party transactions to be disclosed during the current or preceding years.

## **GOVERNMENT LIMITED**

### **NOTES TO THE ACCOUNTS**

Year ended 31 December 2000

#### **8. ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking is West Quay Shopping Centre Limited, 50% of the shares of which are ultimately controlled by Barclays Bank PLC and 50% by Hammerson plc.