

Company Registration No: 3239570

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

Report and Financial Statements

31 December 2002



BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

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BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

M H Marx
R H Pearse
C J Barwick
Development Securities Estates PLC

SECRETARY

S A Lanes

REGISTERED OFFICE

Portland House
Stag Place
London SW1E 5DS

BANKERS

Barclays Bank PLC
50 Pall Mall
London SW1A 1QB

SOLICITORS

Linklaters
1 Silk Street
London EC2Y 8HQ

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES, FUTURE PROSPECTS AND REVIEW OF DEVELOPMENTS

The principal activity of the company at present and for the foreseeable future is that of property development. The future activity and prospects of the company are closely aligned with those of its ultimate parent company, Development Securities PLC, and details of this activity and future prospects are set out in the Chairman's Statement accompanying the 2002 Report and Financial Statements of Development Securities PLC.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (2001: £500,000 per share, amounting to £1,000,000). The directors do not foresee any change in the future activities of the company.

DIRECTORS AND DIRECTORS' INTERESTS

The following were directors of the company throughout the year and to date:

M H Marx
R H Pearse
Development Securities Estates PLC
C J Barwick

None of the directors had any interests in the shares of the company or any other group company during the year except as noted below.

The interests of M H Marx and C J Barwick at 31 December 2002 and 31 December 2001 in the 50p ordinary shares of Development Securities PLC, the ultimate parent company, and options granted to them under that company's share option scheme are disclosed in the 2002 Report and Financial Statements of that company.

R H Pearse is entitled to the following options granted by Development Securities PLC, including those issued during the year:

<i>Date of Grant</i>	<i>Number</i>	<i>Exercise Dates</i>	<i>Price</i>
21 May 1998	20,000 (1)	21 May 2001 to 20 May 2008	328.5p
30 April 2001	10,000 (1)	30 April 2004 to 29 April 2011	400.5p
22 October 2002	3,500 (2)	1 December 2005 to 31 May 2006	270.0p

- (1) Granted under the Executive Share Option Scheme 1995 with a performance condition that the net assets per ordinary share of the Development Securities PLC Group are equal to or in excess of the average growth in the All Properties Capital Growth Index during the same period over three consecutive financial years.
- (2) Granted under the Savings Related Share Scheme 1995.

None of the options above have been exercised or have lapsed during the year. The mid-market price of the shares at 31 December 2002 was 336.0 pence and the range during 2002 was 308.5 pence to 463.5 pence.

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

DIRECTORS' REPORT (continued)

PAYMENT POLICY

Amounts due to suppliers are settled promptly by Development Securities PLC on behalf of the company within their terms of payment, except in cases of dispute. The number of creditor days outstanding for Development Securities PLC at 31 December 2002 was four days (2001: seven days).

AUDITORS

On 1 August 2003 Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution concerning the reappointment of Deloitte & Touche LLP is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



S A Lanes
Secretary

23rd October 2003

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

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 its profit or loss for that year. 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 United Kingdom 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, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

We have audited the financial statements of Birmingham International Park (2000) Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

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 an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume 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 we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of 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 and other members of the Group 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 or material inconsistencies with the financial statements.

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 circumstances of the company, 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche WP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditor

London

~~September 2003~~

23 October 2003

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2002

	Note	2002 £	2001 £
TURNOVER	1,2	767,524	5,042,385
Direct costs		<u>(576,120)</u>	<u>(2,371,711)</u>
GROSS PROFIT	2	191,404	2,670,674
Operating expenses		<u>(93,688)</u>	<u>(792)</u>
OPERATING PROFIT	3	97,716	2,669,882
Net interest (payable)/receivable	4	<u>(29)</u>	<u>399</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		97,687	2,670,281
Tax on profit on ordinary activities	5	<u>-</u>	<u>(815,032)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		97,687	1,855,249
Dividends on equity shares		<u>-</u>	<u>(1,000,000)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR	10	<u>97,687</u>	<u>855,249</u>

All turnover, profits and losses derive from continuing operations.

There are no recognised gains and losses or other movements in shareholders' funds except as stated above.

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

BALANCE SHEET 31 December 2002

	Note	2002 £	2001 £
CURRENT ASSETS			
Land, developments and trading properties	6	593,014	1,291,091
Debtors	7	4,647,274	3,875,275
Cash at bank and in hand		<u>3,522</u>	<u>-</u>
		5,243,810	5,166,366
CREDITORS: amounts falling due within one year	8	<u>(3,065,387)</u>	<u>(3,085,630)</u>
NET CURRENT ASSETS		<u>2,178,423</u>	<u>2,080,736</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account	10	<u>2,178,421</u>	<u>2,080,734</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>2,178,423</u>	<u>2,080,736</u>

These financial statements were approved by the Board of Directors on 23 October 2003.

Signed on behalf of the Board of Directors


 M H Marx
 Director

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2002

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention, and have been prepared on the going concern basis because the Board of Development Securities PLC has given assurances to the directors of the company that they will provide financial support to the company for the foreseeable future.

The accounting policies adopted are consistent with the previous year.

Turnover

Turnover is all property related and represents rents, management fees receivable and proceeds from property sales, which all arose in the United Kingdom and are stated net of value added tax.

Land, Developments in Progress and Trading Properties

Land, developments in progress and trading properties are valued at the lower of cost and estimated net realisable value. The cost of property developments includes attributable interest where the development period exceeds one year, or where financing costs represent a substantial element of the eventual cost of sale.

No profit on long-term developments is recognised until the development is substantially complete and profit is recognised only where the outcome of the development can be determined with reasonable certainty. Full provision is made for foreseeable losses as soon as such losses are identified.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 TURNOVER, PROFITS AND NET ASSETS

	2002 Turnover	2002 Gross Profit	2001 Turnover	2001 Gross Profit
	£	£	£	£
Continuing operations:				
Property sales	736,983	168,480	4,826,057	2,503,963
Rental income	1,741	(5,876)	2,204	(224)
Other income	<u>28,800</u>	<u>28,800</u>	<u>214,126</u>	<u>166,935</u>
	<u>767,524</u>	<u>191,404</u>	<u>5,042,385</u>	<u>2,670,674</u>

NET ASSETS

Net assets, comprising property, are all located in the United Kingdom.

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2002

3 OPERATING PROFIT

None of the directors received any emoluments from the company during the year (2001: £nil) for their services as directors.

The auditors' remuneration for the current year and preceding financial year has been borne by Development Securities PLC, the ultimate parent company.

The company does not have any employees (2001: none).

4 NET INTEREST RECEIVABLE/(PAYABLE)

	2002 £	2001 £
Interest receivable	-	413
Bank overdraft interest payable	-	(14)
Interest payable on overdue tax	<u>(29)</u>	<u>-</u>
	<u>(29)</u>	<u>399</u>

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

No taxation charge arises on the profit for the year due to the surrender of losses from other group companies for nil consideration.

Factors effecting the tax charge for the current period

	2002 £	2001 £
Profit on ordinary activities before tax	97,687	2,670,281
Tax at 30% thereon	29,306	801,084
Effect of:		
Timing differences	-	13,948
Utilisation of tax losses	-	-
Group relief claimed for nil consideration	<u>(29,306)</u>	<u>-</u>
Current tax charge for the period	<u>-</u>	<u>815,032</u>

6 LAND, DEVELOPMENTS AND TRADING PROPERTIES

	2002 £	2001 £
Developments in progress	<u>593,014</u>	<u>1,291,091</u>

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2002

7 DEBTORS

	2002 £	2001 £
Trade Debtors	2,731	36,087
Amounts owed by group undertakings	4,565,915	3,351,710
Corporation tax recoverable	8,639	37,591
Other debtors and prepayments	<u>69,989</u>	<u>449,887</u>
	<u>4,647,274</u>	<u>3,875,275</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Bank overdrafts	-	55,215
Trade creditors	19,483	30,016
Amounts owed to group undertaking	3,000,000	3,000,000
Accruals and deferred income	<u>45,904</u>	<u>399</u>
	<u>3,065,387</u>	<u>3,085,630</u>

9 CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 PROFIT AND LOSS ACCOUNT

	£
At 1 January 2002	2,080,734
Retained profit for the year	<u>97,687</u>
At 31 December 2002	<u>2,178,421</u>

BIRMINGHAM INTERNATIONAL PARK (2000) LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2002

11 ULTIMATE AND IMMEDIATE CONTROLLING PARTIES

The ultimate parent company, controlling party and parent company of the largest and smallest group in which Birmingham International Park (2000) Limited is a member and for which consolidated accounts are produced is Development Securities PLC. The immediate parent company is Development Securities (Projects) Limited. Both companies are incorporated in Great Britain and registered in England and Wales. Copies of the Report and Financial Statements of Development Securities PLC and Development Securities (Projects) Limited can be obtained from Portland House, Stag Place, London SW1E 5DS.

12 RELATED PARTY DISCLOSURE

The company is a wholly owned subsidiary undertaking and is thus exempt from the disclosure requirements of Financial Reporting Standard 8, "Related Party Disclosures", in accordance with paragraph 3(c) of the standard.