

Lend Lease Cell FAB Limited

**Directors' report and
financial statements**

30 June 2007

Registered number 3676686



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 2007

Principal activities

The company did not trade during the year. The directors do not expect that this position will change within the foreseeable future.

During the year, the company adopted International Financial Reporting Standards (IFRS), as adopted by the EU.

The company is a limited liability company incorporated in the United Kingdom. The address of its registered office is 142 Northolt Road, Harrow, Middlesex, HA2 0EE.

These financial statements were authorised for issue by the board of directors on 28 February 2008.

Directors

The directors who held office during the financial year were as follows:

G B Forbes
H J Mursell

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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



H J Mursell
Director

Date 28 February 2008

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The financial statements are required by law to present fairly the financial position and the performance of the company. The Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

Independent auditors report to the members of Lend Lease Cell FAB Limited

We have audited the financial statements of Lend Lease Cell FAB Limited for the year ended 30 June 2007 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes. 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 auditor's 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

KPMG LLP
PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Independent auditors' report to the members of Lend Lease Cell FAB Limited
(continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the company's affairs as at 30 June 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

S. M. M. M.

2008

Income statement

For the year ended 30 June 2007

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years, the company made neither a profit nor a loss.

Balance sheet

At 30 June 2007

	<i>Note</i>	2007 £	2006 £
Non-current assets			
Intangible Assets	4	-	-
Current liabilities			
Trade and other payables	5	(300,635)	(300,635)
Net liabilities		<u>(300,635)</u>	<u>(300,635)</u>
Equity			
Ordinary shares	6	1,244,894	1,244,894
Retained earnings	7	(1,545,529)	(1,545,529)
Total equity		<u>(300,635)</u>	<u>(300,635)</u>

The notes to and forming part of these financial statements are set out on pages 7 to 9

These financial statements were approved by the Board of directors on 28 February 2008 and were signed on its behalf by



H J Mursell
Director

Statement of changes in shareholders' equity

For the year ended 30 June 2007

	<i>Note</i>	Ordinary share capital £	Retained earnings £	Total equity £
Balance at 30 June 2006		1,244,894	(1,545,529)	(300,635)
Retained profit for the year		-	-	-
Balance at 30 June 2007		<u>1,244,894</u>	<u>(1,545,529)</u>	<u>(300,635)</u>

Cash flow statement

For the year ended 30 June 2007

	<i>Note</i>	2007 £	2006 £
Cash flows from operating activities			
Cash generated from operations		-	-
Income tax (paid)/received		-	-
Net cash from operating activities		<u>-</u>	<u>-</u>
Net increase/decrease in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year		<u>-</u>	<u>-</u>

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 International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies under IFRS

The 2007 financial statements are the Company's first financial statements prepared under IFRS, with a transition date of 1 July 2005. The comparative figures for 2006 and the balance sheet as at 1 July 2005 have not been restated because no material adjustments were identified and so they already complied with IFRS

The company is exempt from the requirement to prepare consolidated financial statements, by virtue of section 228 of the Companies Act 1985 and IAS 27 – "Presentation of Consolidated Financial Statements" as it is a subsidiary of another entity that prepares consolidated financial statements. As such, these financial statements present information about the company as an individual undertaking, and not its group.

The financial statements have been prepared under the historical cost convention

Patent

Patent rights acquired are capitalised as intangible assets and amortised to nil, through equal annual instalments, to the profit and loss account over their useful economic lives. This is generally the period of legal rights to the patents.

Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No 8 'Related Party Disclosures' to dispense with the requirement to disclose transactions with group companies.

2 Remuneration of directors

The directors received no emoluments in respect of their services to the company (2006 *£nil*). Directors' emoluments are disclosed in the consolidated financial statements of Lend Lease Europe Holdings Limited as they relate to services to the group as a whole.

3 Staff numbers and costs

The company did not employ any staff during the year (2006 *nil*)

4 Auditors' remuneration

Auditors' remuneration is borne by a fellow group undertaking

Notes to the financial statements (continued)

4 Non-current assets

	2007 £	2006 £
Patent Pending		
Original cost	1,545,529	1,545,529
Accumulated amortisation at beginning of the year	(1,545,529)	(1,545,529)
Charge for the year	-	-
	<hr/>	<hr/>
Net book value at the end of the year	-	-
	<hr/>	<hr/>

The patent represents rights to international patent on design of semiconductor factories and associated costs incurred. No future benefits are expected from the patent.

5 Current liabilities

	2007 £	2006 £
Trade and other payables	300,635	300,635
	<hr/>	<hr/>

6 Called up share capital

	2007 £	2006 £
<i>Authorised</i>		
100 class 'A' ordinary shares of £1	100	100
2,000,000 class 'B' redeemable shares of £1	2,000,000	2,000,000
	<hr/>	<hr/>
	2,000,100	2,000,100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
1 class 'A' ordinary share of £1	1	1
1,244,893 class 'B' redeemable shares of £1	1,244,893	1,244,893
	<hr/>	<hr/>
	1,244,894	1,244,894
	<hr/>	<hr/>

Class 'B' redeemable shares rank *pari passu* with the class 'A' ordinary shares, except in respect of redemption where they rank in priority to any other shares.

Notes to the financial statements *(continued)*

7 Reconciliation of movements in equity shareholders' deficit

	Share capital	Profit and loss account	Total shareholders' deficit
	£	£	£
At 1 July 2006 and 30 June 2007	1,244,894	(1,545,529)	(300,635)
	<u> </u>	<u> </u>	<u> </u>

8 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Lend Lease FAB Technologies 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.

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, Mandy, Cardiff CF14 3UZ.

9 Transition to IFRS

The company reported under UK GAAP in its previous financial statements for the year ended 30 June 2006.

The company had no adjustments on transition from UK GAAP to IFRS at 1 July 2005. No adjustments were required for the year ended 30 June 2006 on restatement under IFRS, therefore the income statement and balance sheet have not changed from those previously reported.

The principal change relates to the inclusion of a cash flow statement in these accounts.

Presentation of financial statements

The primary statements within the financial information contained in this document have been presented substantially in accordance with IAS 1 "Presentation of Financial Statements". However, this format and presentation may require modification in the event that further guidance is issued and as practice develops.