

**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM

17 DECEMBER 1999 (DATE OF INCORPORATION)

TO 31 DECEMBER 2000

(Registered Number: 3896213)



**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM
17 DECEMBER 1999 (DATE OF INCORPORATION)
TO 31 DECEMBER 2000**

CONTENTS	PAGES
Report of the directors	1 to 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 to 9

**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

REPORT OF THE DIRECTORS

The directors present their report and audited financial statements of the company for the period from 17 December 1999 (date of incorporation) to 31 December 2000.

Change of name

The name of the company was changed from Burginhall 1150 Limited to Hutchinson LR Properties Limited effective from 10 January 2000 and was then changed to Hutchison LR Properties Limited effective from 11 January 2000.

Principal activity and review of business

The company's principal activity during the period was investment holding. No change in the activity of the company is anticipated in 2001. The directors are satisfied with the level of business and period end financial position of the company.

Results and dividends

The results and financial position of the company for the period from 17 December 1999 (date of incorporation) to 31 December 2000 are set out in the financial statements. No interim dividend was paid during the period and the directors do not recommend the payment of a final dividend.

The loss for the period of £39,608 has been transferred to reserves.

Directors

The following held office as directors during the period and up to the date of this report:

DH&B Directors Limited	(appointed on 17 December 1999 and resigned on 15 February 2000)
DH&B Managers Limited	(appointed on 17 December 1999 and resigned on 15 February 2000)
Susan Chow	(appointed on 15 February 2000)
Raymond Chow	(appointed on 15 February 2000)
George C Magnus	(appointed on 15 February 2000)
Edmond Ip	(appointed on 15 February 2000)

None of the directors had any interest in the shares of the company during the period.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company 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, subject to any material departures disclosed and explained in the financial statements.

Statement of directors' responsibilities (continued)

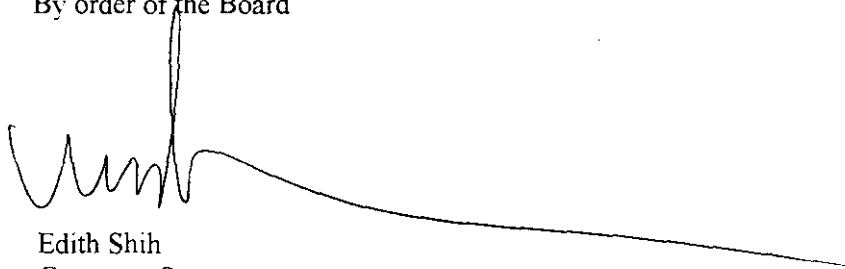
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

By order of the Board

A handwritten signature in black ink, appearing to be 'Edith Shih', followed by a long horizontal line extending to the right.

Edith Shih
Company Secretary

22 March 2001

**AUDITORS' REPORT TO THE MEMBERS OF
HUTCHSON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHISON LR PROPERTIES LIMITED)**

PricewaterhouseCoopers
10 Bricket Road
St Albans AL1 3JX
Telephone +44 (0) 1727 844155
Facsimile +44 (0) 1727 845039

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page x, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

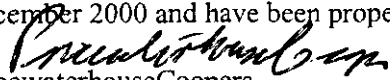
Basis of audit opinion

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 2000 and of its loss for the period 17 December 1999 (date of incorporation) to 31 December 2000 and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
St Albans, 22 March 2001

**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 17 DECEMBER 1999 (DATE OF INCORPORATION)
TO 31 DECEMBER 2000**

	Note	£
Administrative expenses		(39,608)
Loss for the financial period	4	<u>(39,608)</u>

The loss for the period arises from the company's continuing operations.

The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

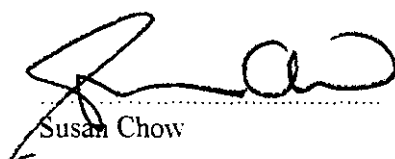
There is no difference between the loss on ordinary activities and the loss for the period stated above and their historical cost equivalent.

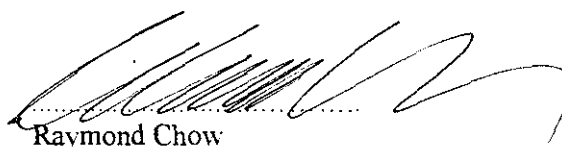
The notes on pages 6 to 9 form part of these financial statements.

HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)

BALANCE SHEET
AS AT 31 DECEMBER 2000

	Note	2000 £
Current assets		
Investment	7	1,116,307
Debtors	8	10
		<hr/> 1,116,317
Creditors - amounts falling due within one year	9	(1,155,825)
Net current liabilities		<hr/> (39,508) <hr/>
Net liabilities		<hr/> (39,508) <hr/>
Capital and reserves		
Called up share capital	10	100
Profit and loss account	11	(39,608)
Equity shareholders' funds	11	<hr/> (39,508) <hr/>


 Susan Chow


 Raymond Chow

Approved by the board of directors
 on 22 March 2001

The notes on pages 6 to 9 form part of these financial statements.

**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

(a) Basis of accounting and financial support from shareholders

These financial statements are prepared under the historical cost convention and in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standards for Smaller Entities.

The shareholders have confirmed their intention to provide sufficient financial support for the continuing operation of the company.

(b) Joint ventures

A joint venture is classified as a jointly controlled entity if it is held as a long term investment and a contractual arrangement between the shareholders establishes joint control over the economic activities of the joint venture.

In the company's balance sheet, the investment in the jointly controlled entity is stated at cost less provision, if necessary, for any permanent diminution in value. The results of the jointly controlled entity is accounted for by the company on the basis of dividends received and receivable.

(c) Deferred taxation

Deferred taxation is accounted for at the current tax rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or receivable in the foreseeable future.

2 Cash flow statement

The company has not presented a cash flow statement as it is a small company as defined by sections 246 to 249 of the Companies Act 1985.

3 Segmental reporting

The company's activity is investment holding during the period.

4 Operating loss

Operating loss is stated after charging auditors' remuneration of £1,500.

5 Directors' emoluments and employee numbers

No fees or other emoluments were paid to the directors in respect of their services to the company during the period, nor are any payable.

The average number of people (including directors) employed by the company during the period was 4.

HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

6 Taxation

United Kingdom corporation tax has not been provided as the company has no estimated assessable profit for the period.

There are no material timing differences between loss as computed for taxation purposes and loss as stated in the financial statements.

7 Investment

	£
Interest in a jointly controlled entity	
Unlisted ordinary shares, at cost	50
Amount due by the jointly controlled entity	1,116,257
	<u>1,116,307</u>

Details of the jointly controlled entity are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities and place of operation</u>	<u>Percentage of shareholding</u>
Circadian Limited (formerly known as Lots Road Development Limited and Burginhall 1128 Limited)	The United Kingdom	Property ownership and development in the United Kingdom	50%

The aggregate amounts of the company's share of net liabilities and losses of Circadian Limited as if the equity method had been applied are as follows:

	£
Share of net liabilities	2,332
	<u>2,382</u>
Share of losses	2,382
	<u>2,382</u>

8 Debtors

The amount of £10 is owed by a shareholder and is unsecured, interest free, and repayable on demand.

HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

9 Creditors - amounts falling due within one year

	£
Amounts due to group undertakings	1,154,325
Other creditors	1,500
	<u>1,155,825</u>

The amounts due to group undertakings are unsecured, interest free, and repayable on demand.

10 Called up share capital

	£
Authorised:	
100 ordinary shares of £1 each	<u>100</u>
	£
Allotted and fully paid:	
100 ordinary shares of £1 each	<u>100</u>

The company was incorporated on 17 December 1999 with an authorised share capital of £100 divided into 100 shares of £1 each. 100 ordinary shares were issued at par for cash upon incorporation for initial share capital.

11 Reconciliation of movements in equity shareholders' funds

	£
Net proceeds of issue of ordinary share capital	100
Loss for the period	(39,608)
	<u>(39,508)</u>
Equity shareholders' funds as at 31 December	<u>(39,508)</u>

**HUTCHISON LR PROPERTIES LIMITED
(FORMERLY KNOWN AS BURGINHALL 1150 LIMITED and
HUTCHINSON LR PROPERTIES LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

12 Ultimate parent undertaking

The beneficial owners of the company are:

	Country of incorporation	Percentage of shareholding
Ferrensby Limited	The British Virgin Islands	45%
Sialake High Limited	The British Virgin Islands	45%
Camden Resources Limited	The British Virgin Islands	10%
		<hr/> 100% <hr/>

Both Ferrensby Limited and Sialake High Limited are jointly controlled entities of Hutchison Whampoa Limited (a company incorporated in Hong Kong) and Cheung Kong (Holdings) Limited (a company incorporated in Hong Kong). Cheung Kong (Holdings) Limited effectively holds 49.9% of the issued share capital of Hutchison Whampoa Limited.