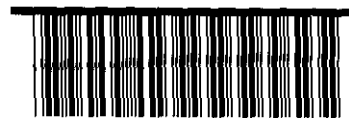


Chapelfield LP Limited

**Directors' report and
financial statements**

30 June 2001

Registered number 4090126



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26/04/02

Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the period ended 30 June 2001. The company was incorporated on 13 October 2000.

Principal activities

The principal activity of Chapelfield LP Limited is to act as limited partner to the Lend Lease Chapelfield Partnership. The partnership was established for the purpose of acquiring, holding and investing in property.

Results and dividends

The company received no income nor incurred any expenses during the period. Consequently a profit and loss account is not presented.

Directors and directors' interests

The directors who held office during the period were as follows:

Hackwood Directors Limited	(appointed 13 October 2000, resigned 31 October 2000)
R G Caven	(appointed 31 October 2000)
G I M Cockburn	(appointed 31 October 2000)
A L Gough	(appointed 31 October 2000)
D S Hutton	(appointed 31 October 2000)

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families or exercised by them, during the period.

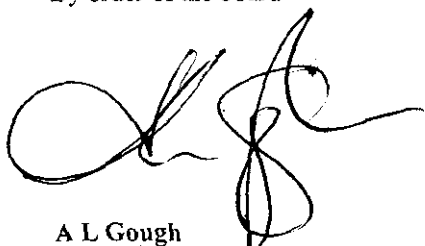
Events during the period

The company changed its name from Hackremco (No. 1730) Limited on 30 October 2000.

Auditors

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

By order of the board



A L Gough
Director

23 Kingsway
London WC2B 6UJ
23 April 2002

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which 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;
- 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 maintaining 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 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.

This statement should be read in conjunction with the statement of auditors' responsibilities set out in the audit report on page 3.

Independent auditors' report to the member of Chapelfield LP Limited.

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 Companies Act 1985. 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 with the company is not disclosed.


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 30 June 2001 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG

Chartered Accountants
Registered Auditors

8 Salisbury Square
London EC4Y 8BB
23 April 2002

Balance sheet

at 30 June 2001

	Note	2001 £	2001 £
Fixed assets			
Investments	4		1
Current assets			
Debtors: Greater than one year	5	7,832,500	
Net current assets			7,832,500
Total assets less current liabilities			7,832,501
Creditors: amounts falling due greater than one year	6		(7,832,500)
Net assets			1
Capital and reserves			
Called up share capital	7		1
Profit and loss account			-
Equity shareholders' funds			1

The company received no income nor incurred any expenses during the period. Consequently a profit and loss account is not presented. There were no recognised gains or losses for the period.

The notes to and forming part of the financial statements are set out on pages 5 to 7.

These financial statements were approved by the board of directors on 23 April 2002 and signed on its behalf by:



A L Gough
Director



G I M Cockburn
Director

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 applicable accounting standards and under the historical cost accounting rules.

Exemption from requirement to prepare group accounts

The company is a wholly owned subsidiary of Lend Lease Europe Limited, a company registered in England and Wales which prepares consolidated financial statements. The company is exempt (under section 228 of the Companies Act 1985) from the obligation to prepare group financial statements. The financial statements of the company present information about the company as an individual undertaking and not about its group.

Cash flow statement

A cash flow statement is not included with these financial statements as a consolidated cash flow statement, produced under Financial Reporting Standard No 1, is included in the financial statements of Lend Lease Europe Holdings Limited.

Related party transactions

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

2 Auditors' remuneration

Auditors' remuneration is borne by Lend Lease Europe Limited, the immediate parent undertaking.

3 Directors' remuneration and employees

Emoluments in respect of all the directors are disclosed in the consolidated financial statements of Lend Lease Europe Limited as they relate to services to the group as a whole.

The company did not employ any staff during the period.

Notes to the financial statements *(continued)*

4 Fixed assets investments

	2001 £
Opening balance	-
Additions in year: Lend Lease Chapelfield Partnership	1
Balance carried forward	<u>1</u>

Lend Lease Chapelfield Partnership is a registered partnership in England and Wales involved with acquiring, holding and investing in property.

Chapelfield LP Limited is the sole limited partner of Lend Lease Chapelfield Partnership and has no part in the management or control of the business and affairs of the Partnership. In accordance with the partnership deed a £1 capital contribution has been made by the limited partner, and there are no obligations for further capital contributions.

The Lend Lease Chapelfield Partnership owns rights to a development project in Norwich.

5 Debtors: amounts falling due greater than one year

	2001 £
Amounts owed by group undertakings	<u>7,832,500</u>

6 Creditors: amounts falling due greater than one year

	2001 £
Amounts owed to group undertakings	<u>7,832,500</u>

Notes to the financial statements (continued)

7 Called up share capital

	2001 £
<i>Authorised</i>	
100 ordinary shares of £1 each	100
	<hr/>
<i>Allotted, called up and fully paid</i>	
1 ordinary share of £1 each	1
	<hr/>

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

The company's immediate parent undertaking is Lend Lease Europe Limited which is registered in England and Wales. The ultimate parent undertaking of the company 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 that group may be obtained from the group's website at LendLease.com.au.

The largest group registered in England and Wales in which the results of the company are consolidated is that headed by Lend Lease Europe Holdings Limited. Consolidated financial statements may be obtained from the address given below.

The smallest group in which the financial statements of the company are consolidated is that headed by Lend Lease Europe Limited. The consolidated financial statements of that group may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.