

Bovis Lend Lease Limited
Directors' report and
financial statements
Registered number 467006
30 June 2004



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 2004.

Principal activities

The company's principal activity is as a provider of project solutions in the construction industry in the United Kingdom.

Business review

The company continues to trade successfully with a book turnover of £695,072,000 (2003: £578,048,000) and notional turnover in excess of £1 billion, generating a profit on ordinary activities after taxation of £9,284,000 (2003: £9,711,000). Within the UK, the construction value of Bovis Lend Lease projects currently under management, reported within this statutory entity, totals circa £4 billion.

UK construction spending grew by some 5% in 2004 and Bovis Lend Lease maintained its strong position in its target markets. In the UK commercial construction sector, strong client relationships helped win new landmark contracts, and lifted its market share to 8%.

Bovis Lend Lease was appointed pre-construction manager for the £600 million redevelopment of London's Battersea Power Station by developer Parkview International London plc. It also secured the £106 million design and build Bankside 1 project in London, a £113 million design and build contract for Manchester's Civil Justice Centre and a £68 million contract to build a new BBC headquarters in Glasgow. In the Health sector BLL has recently reached Financial Close on projects in Leeds and Manchester, valued at around £550 million. In addition, it is bidding for a major project in Leicester, and for hospitals in Salford and Tameside in northern England, altogether worth over £1 billion. The company has £276 million in hospital PFI projects under construction, including Burnley in Lancashire, Romford in Essex and Roehampton in London.

Reinforced by a robust balance sheet and excellent track record, the company is also one of the UK's top three suppliers of accommodation construction and maintenance services to the Ministry of Defence. It operates through the Debut Services partnership between Bovis Lend Lease and Babcock Support Services. Debut Services won the £500 million South West Prime Contract in 2004, involving a wide range of multi-site construction and maintenance projects, and is bidding for a similar £600 million contract in England's central region.

Its other major defence project is the £445 million first phase of the Single Living Accommodation Modernisation (SLAM) project, building accommodation for single personnel at military bases in England and Wales. At 30 June 2004, eight sites had been completed and a further 19 were in development. Construction of the first phase is due for completion in 2007 and Debut Services is well placed for success on the second £500 million phase, potentially extending construction to 2012. This contract is due to be awarded during 2005.

Proposed dividend

The directors have recommended a final dividend for the year of £4,000,000 (2003: £nil).

Directors and directors' interests

The directors who served during the year are listed below:

S Casari	
P Chadwick	(appointed 8 September 2003, resigned 7 May 2004)
D Chalmers	
S Hockaday	
M Howes	(appointed 5 February 2004)
P Jacobs	(appointed 1 September 2003)
J Millet	(appointed 8 September 2003)
A Silverbeck	
J Spanswick	
D Bate	(resigned 5 February 2004)
L Chatfield	(resigned 13 February 2004)
A Ring	(resigned 8 April 2004)
M Temple	(resigned 13 February 2004)

None of the directors who held office at the end of the year held any disclosable interest in-group undertakings as recorded in the register of directors' interests.

Directors' report *(continued)*

Auditors

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at a forthcoming General Meeting.

Employees

Disabled persons

It is the company's policy to give full and fair consideration to applications for employment made by disabled persons having regard to their aptitudes and abilities. The company also uses its best endeavours to provide continuing employment for employees who are disabled whilst the company employs them and, where appropriate, provides facilities for training and retraining and opportunities for career development and promotion.

Employees and their involvement in group business

The company is part of the Bovis Lend Lease group and closely identifies with the group's corporate identity and activities and also those of the ultimate Australian parent undertaking, Lend Lease Corporation Limited.

A profit sharing scheme is in place that enables employees, through share ownership, to identify more closely with the group's performance and to share common objectives with shareholders.

The company is committed to enlisting staff involvement, and staff at all levels are kept informed on a regular basis of both the group's and the company's important business contracts and activities through the media by way of:

- the company's regular news sheets including "Interlink", the Lend Lease Corporation magazine.
- notice board displays of matters of interest and importance relating to the company and to the group, such as health and safety, vision and values, organisational structures and financial matters.
- the intranet site, the "Hive", which is updated with daily news on the activities taking place within the group and regularly publishes detailed information on Bovis Lend Lease and Lend Lease Corporation.
- regular employee update meetings, such as "Global Update".

Meetings are held regularly with relevant employees for information and consultation relating to the company's past performance, future objectives and proposed changes.

All employees are encouraged to show an awareness of the objectives of the company and the standards of performance required in relation to the specific activities in which they are engaged.

The Bovis Lend Lease group's core values are published widely. They promote a culture of involvement and performance. The five core values are: 'Respect', 'Integrity', 'Innovation', 'Collaboration' and 'Excellence'.

In September 2002 the company launched Incident & Injury Free. This is a global programme that states our commitment to a safe working environment and leads all stakeholders to the changes in belief and behaviour that can make this a reality. We continue to actively promote this commitment.

Creditor payment policy

The company's policy is to pay suppliers in accordance with terms and conditions agreed when orders are placed. Where payment terms have not been specifically agreed, then the invoices received each calendar month are paid close to the end of the following month. This policy is understood by the purchasing and financing departments. The company has procedures for dealing promptly with complaints and disputes.

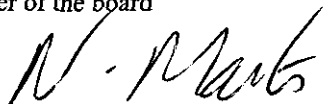
The number of day's billings from suppliers outstanding at the end of the year was 13 days (2003: 33).

Directors' report *(continued)*

Political and charitable donations

The company made no political contributions during the year (2003: *£nil*). Donations to UK charities amounted to £20,100 (2003: £30,918).

By order of the board



NC Martin

Company secretary

142 Northolt Road
Harrow
Middlesex
HA2 0EE

December 2004

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;
- prepare the financial statements on a 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 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.



KPMG LLP

PO Box 685
8 Salisbury Square
London
EC4Y 8BB

Independent auditors report to the members of Bovis Lend Lease Limited

We have audited the financial statements on pages 7 to 20.

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 the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept 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 that we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 5, 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 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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
Chartered Accountants
Registered Auditor

17 December 2004

8 Salisbury Square
London
EC4Y 8BB

Profit and loss account
For the year ended 30 June 2004

	<i>Note</i>	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Turnover	2	695,072	578,048
Cost of sales		(659,577)	(545,804)
Gross profit		<u>35,495</u>	<u>32,244</u>
Administrative expenses		(23,305)	(18,952)
Operating profit		<u>12,190</u>	<u>13,292</u>
Income from shares in group undertakings		-	121
Interest receivable and similar income	6	983	1,052
Interest payable and similar charges	7	(1)	(344)
Profit on ordinary activities before taxation	3	<u>13,172</u>	<u>14,121</u>
Tax on profit on ordinary activities	8	(3,888)	(4,410)
Profit on ordinary activities after taxation		<u>9,284</u>	<u>9,711</u>
Dividend proposed		(4,000)	-
Retained profit for the financial year	15	<u><u>5,284</u></u>	<u><u>9,711</u></u>

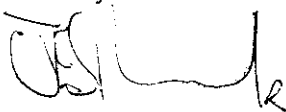
No operations were acquired or discontinued during the year (2003: none). There is no material difference between the results disclosed in the profit and loss account and the result given on an unmodified historical cost basis.

There were no gains or losses recognised in the year (2003: £nil) other than those shown above.

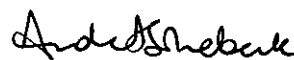
Balance sheet
as at 30 June 2004

	Notes	30 June 2004 £000	30 June 2003 £000
Fixed assets			
Tangible assets	9	8,209	8,603
Investments	10	1,271	1,271
		<u>9,480</u>	<u>9,874</u>
Current assets			
Debtors	11	208,421	188,434
Cash at bank and in hand		26,327	25,141
		<u>234,748</u>	<u>213,575</u>
Creditors: amounts falling due within one year	12	(205,785)	(190,983)
Net current assets		<u>28,963</u>	<u>22,592</u>
Total assets less current liabilities		<u>38,443</u>	<u>32,466</u>
Creditors: amounts falling due after more than one year	13	(2,113)	(1,420)
Net assets		<u><u>36,330</u></u>	<u><u>31,046</u></u>
Capital and reserves			
Called up share capital	14	8,100	8,100
Profit and loss account	15	28,230	22,946
Equity shareholders' funds	16	<u><u>36,330</u></u>	<u><u>31,046</u></u>

These financial statements were approved by the board of directors on 16 December 2004 and were signed on its behalf by:



J Spanswick



A Silverbeck

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, modified to include the revaluation of certain land and buildings.

The company is exempt from the requirement to prepare consolidated financial statements, by virtue of s228 of the Companies Act 1985. These financial statements present information about the company as an individual undertaking, and not its group.

Under Financial Reporting Standard No.1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

The related party transactions note included in the consolidated financial statements of the intermediary parent undertaking complies with the conditions of Financial Reporting Standard No.8 'Related Party Transactions'. The company is therefore exempt from the requirement to prepare a separate note.

Turnover

Turnover represents the value of work performed during the period, exclusive of value added tax.

Fixed assets and depreciation

No depreciation has been provided on freehold land.

Depreciation is provided by the company to write off the cost less the estimated residual value of other tangible fixed assets over their useful economic lives as follows:

Freehold buildings	-	2% per annum, straight line
Office improvements	-	Over remaining period of lease, straight line
Plant, machinery, furniture and fixtures	-	10%-25% per annum, straight line
Motor vehicles	-	33% reducing balance

Investments

Fixed asset investments are stated at cost or cost less provision where there is a permanent diminution in value.

Profits

Profits are brought to account:

- for property construction, progressively at an amount equivalent to general overheads or an amount equivalent to the value of work performed when the outcome of a contract can be reliably determined (the company does not consider that the outcome of a construction contract can be reliably determined until it is at least 50% complete).
- for goods and services, when such goods or services have been supplied or rendered.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Stage of completion is measured by reference to actual costs to date as a percentage of total forecast costs for each contract. Provision is made for losses incurred or foreseen in bringing the contract to completion as soon as they become apparent.

Amounts recoverable on contracts

Amounts recoverable on contracts are included at cost plus attributable profit estimated to be earned to date, less provision for foreseeable losses and less progress payments received and receivable.

Payments received on account

Any excess of progress payments received and receivable on contracts over cost plus attributable profit estimated to be earned to date, less provisions for foreseeable losses, is included in creditors.

Pre-contract costs and UITF 34

Costs associated with bidding for contracts are written off as incurred (pre-contract costs). When it is virtually certain that a contract will be awarded, usually when preferred bidder status has been secured, costs incurred from that date to the date of financial close are carried forward in the balance sheet.

When financial close is achieved on PFI contracts, costs are recovered from the PFI special purpose vehicle and pre-contract costs are credited to the profit and loss account except to the extent that the group retains a share in the special purpose vehicle. That element is deferred and recognised over the life of the construction contract to which the costs relate.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the period end exchange rates. Exchange differences are taken to the profit and loss account.

Pension costs

Contributions in respect of defined benefit pension schemes are calculated as a percentage, agreed based on actuarial advice, of the pensionable salaries of employees. The cost of providing pensions is charged to the profit and loss account over the periods benefiting from the services of employees.

Taxation

The charge for taxation is based on the result for the year and takes into account deferred taxation. In accordance with FRS 19 'Deferred Tax', deferred taxation is provided fully and on a non discounted basis at future corporation tax rates in respect of timing differences between profits computed for taxation and accounts purposes.

Leased assets

Rentals payable and receivable under operating leases are charged or credited to the profit and loss account on a straight line basis over the life of the lease.

Notes to the financial statements *(continued)*

2 Segmental information

The company's turnover and results arose from, and the company's net assets are deployed in, providing project solutions in the construction industry, primarily in the United Kingdom.

3 Profit on ordinary activities before taxation

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditor's remuneration and expenses for:		
Audit work	238	316
Non-audit work	198	243
Depreciation of tangible fixed assets	1,064	1,282
Rentals payable under operating leases	3,728	5,399
(Profit)/loss on sale of fixed assets	(44)	46

4 Remuneration of directors

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Directors' emoluments	2,166	2,259
Compensation for loss of office	113	338
	2,279	2,597

The aggregate of emoluments of the highest paid director was £399,109 (2003: £596,000).

Notes to the financial statements *(continued)*

5 Staff numbers and costs

The average number of employees engaged in the activity of providing project solutions in the construction industry was 1,742 (2003: 1,850). The aggregate payroll costs of these persons were as follows:

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Wages and salaries	75,334	76,403
Social security costs	6,748	7,167
Other pension costs (see note 19)	10,336	9,000
	<u>92,418</u>	<u>92,570</u>

6 Interest receivable and similar income

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Bank and other interest	797	755
Interest receivable from parent and other group undertakings	186	297
	<u>983</u>	<u>1,052</u>

7 Interest payable and similar charges

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Other interest payable	1	344
	<u>1</u>	<u>344</u>

Notes to financial statements *(continued)*

8 Taxation

(a) Analysis of charge in year

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Current tax:		
UK corporation tax expense on profits for the year at 30%	6,571	4,957
Foreign tax	-	(72)
Adjustments in respect of previous periods	(290)	307
Total current tax (note 8 (b))	<u>6,281</u>	<u>5,192</u>
Deferred tax:		
Origination and reversal of timing differences (note 8 (d))	(2,393)	(475)
Adjustment in respect of previous periods (note 8(d))	-	(307)
Tax on profit on ordinary activities	<u>3,888</u>	<u>4,410</u>

(b) Factors affecting tax charge for year

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 30% (2003: 30%).

The differences are explained below:

	Year ended 30 June 2004 £000	Year ended 30 June 2003 £000
Profit on ordinary activities before tax	<u>13,172</u>	<u>14,121</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	3,952	4,238
Effects of:		
Expenses not deductible for tax purposes	226	281
Origination and reversal of timing differences	2,393	475
Dividend income not taxable	-	(37)
Foreign tax	-	(72)
Adjustments in respect of previous periods	(290)	307
Current tax charge for year (note 8 (a))	<u>6,281</u>	<u>5,192</u>

Notes to the financial statements *(continued)*

8 Taxation (continued)

(c) Factors that may affect future tax charges

Future effective tax rates may vary due to short term timing differences and dividends from subsidiaries.

(d) Deferred taxation

The amounts provided for deferred taxation are set out below:

	30 June 2004 £000	30 June 2003 £000
Depreciation in excess of capital allowances	1,933	2,200
Short term timing differences	6,998	4,302
Deferred tax asset (note 11)	<u>8,931</u>	<u>6,502</u>
Deferred tax asset at start of year	6,502	5,720
Deferred tax credit in profit and loss account for period (note 8(a))	2,393	475
Adjustments in respect of previous periods	-	307
Transferred intra-group	36	-
Deferred tax asset at end of year	<u>8,931</u>	<u>6,502</u>

Notes to the financial statements *(continued)*

9 Tangible fixed assets

	Freehold land and buildings £000	Improvements to leasehold buildings £000	Plant, Machinery and vehicles £000	Furniture and fixtures £000	Total £000
<i>Cost or valuation</i>					
At beginning of year	6,320	329	3,387	1,840	11,876
Additions	-	73	295	360	728
Disposals	-	-	(1,260)	(66)	(1,326)
At end of year	6,320	402	2,422	2,134	11,278
<i>Depreciation and diminution in value</i>					
At beginning of year	319	104	2,091	759	3,273
Charge for year	70	39	744	211	1,064
Disposals	-	-	(1,205)	(63)	(1,268)
At end of year	389	143	1,630	907	3,069
<i>Net book value</i>					
At 30 June 2004	5,931	259	792	1,227	8,209
At 30 June 2003	6,001	225	1,296	1,081	8,603

The historical cost of freehold land and buildings at 30 June 2004 was £11,444,258 (2003: £11,444,258).

Notes to the financial statements (continued)

10 Fixed asset investments

	Shares in subsidiary undertakings £000	Other investments £000	Total £000
Cost			
At beginning and end of the year	2,223	949	3,172
Provision			
At beginning and end of the year	1,218	683	1,901
Net book value			
At 30 June 2004	1,005	266	1,271
At 30 June 2003	1,005	266	1,271

The principal companies in which the company's interest is more than 10% are as follows:

Subsidiary and associated undertakings	Country of registration or incorporation	Principal activity	Percentage of ordinary shares held
Bovis Engineering Limited	England and Wales	Project solutions	100
Bovis Ireland Limited	Eire	Project solutions	100
Bovis Construction North Western Limited	England and Wales	Project solutions	100
Catalyst Healthcare Management Limited	England and Wales	Management services	100
East Leeds Initiative Limited	England and Wales	Project solutions	50
BLS Warwick Limited	England and Wales	Project solutions	50
BLS St Martins Limited	England and Wales	Project solutions	50
BLS KEC Limited	England and Wales	Project solutions	50
BLS Regent Limited	England and Wales	Project solutions	50
BLS Blackfriars Limited	England and Wales	Project solutions	50
Debut Services Limited	England and Wales	Project solutions	85
Debut Services (South West) Limited	England and Wales	Project solutions	50

In the opinion of the directors the investments in and amounts due from the company's subsidiary and associated undertakings are worth at least the amounts at which they are stated in the balance sheet.

Notes to the financial statements (continued)

11 Debtors

	30 June 2004 £000	30 June 2003 £000
Trade debtors	113,167	80,349
Amounts recoverable on contracts	12,834	8,567
Amounts owed by group undertakings:		
Parent and other group undertakings	45,710	33,944
Subsidiary undertakings	24,022	49,458
Other debtors	659	6,013
Prepayments and accrued income	3,098	3,601
Deferred taxation asset (note 8 (d))	8,931	6,502
	<u>208,421</u>	<u>188,434</u>

12 Creditors: amounts falling due within one year

	30 June 2004 £000	30 June 2003 £000
Payments received on account	111,113	80,305
Trade creditors	24,972	58,059
Amounts owed to group undertakings:		
Parent and other group undertakings	10,609	16,750
Dividend Payable	4,000	
Subsidiary undertakings	27	1,046
Other creditors including taxation and social security:		
Corporation tax	11,956	9,446
Taxation and social security	4,963	6,331
Other creditors	24,133	685
	<u>41,052</u>	<u>16,462</u>
Accruals and deferred income	14,012	18,361
	<u>205,785</u>	<u>190,983</u>

13 Creditors: amounts falling due after more than one year

	30 June 2004 £000	30 June 2003 £000
Employee long term incentive plans	2,113	1,420

During the year, additional amounts have been provided for additional three-year rolling employee long term incentive plans.

Notes to the financial statements *(continued)*

14 Called up share capital

	30 June 2004 £000	30 June 2003 £000
<i>Authorised, allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	8,100	8,100
	<u>8,100</u>	<u>8,100</u>

15 Profit and loss account

	30 June 2004 £000	30 June 2003 £000
At beginning of year	22,946	13,235
Retained profit for the year	5,284	9,711
At end of year	<u>28,230</u>	<u>22,946</u>

16 Reconciliation of movement in equity shareholders' funds

	30 June 2004 £000	30 June 2003 £000
Retained profit for the year	5,284	9,711
Net movement in equity shareholders' funds	<u>5,284</u>	<u>9,711</u>
Opening equity shareholders' funds	31,046	21,335
Closing equity shareholders' funds	<u>36,330</u>	<u>31,046</u>

Notes to the financial statements (continued)

17 Commitments

Operating leases

Annual commitments under non-cancellable operating leases are as follows:

	30 June 2004		30 June 2003	
	Land and Buildings	Other	Land and Buildings	Other
	£000	£000	£000	£000
Operating leases which expire:				
Within one year	326	340	36	788
Between one and five years	145	1,995	304	1,920
Over five years	573	-	62	-
	<u>1,044</u>	<u>2,335</u>	<u>402</u>	<u>2,708</u>

Capital commitments

As at 30 June 2004, the company was contractually committed to pay £nil (2003: £nil).

18 Contingent liabilities

There are claims outstanding, which arise under contracts carried out by the company in the ordinary course of business. It is not possible to predict with any certainty the results of these claims but the directors believe, taking into account counter-claims, claims against third parties and provisions in the accounts, that the outcome will not have a material effect on the company's financial position.

19 Pension scheme

The company participates in the Lend Lease UK Pension Scheme in respect of its employees. Contributions paid to the scheme are based on pension costs across the companies within the Lend Lease UK Pension Scheme as a whole. The assets and liabilities of the scheme cannot be accurately allocated to the company. Details of this defined benefits scheme, including the level of solvency and the basis on which the future contribution rate is determined and the disclosures required under the transitional arrangements of FRS 17, are set out in the financial statements of Bovis Lend Lease Holdings Limited (the company's immediate parent undertaking), which sponsors the scheme. The consolidated financial statements of this group may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.

For the year ended 30 June 2004 the company contributions paid to the Lend Lease UK Pension Scheme were £10,313,000 (2003: £8,981,000).

Note 5 to the financial statements show the total cost to the company of the main schemes operating during the year. This includes contributions made to a local scheme in South Africa. Total amounts contributed to local schemes in the year were £23,000 (2003: £19,000).

Notes to the financial statements *(continued)*

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

The company is a subsidiary undertaking of Bovis Lend Lease Holdings Limited, 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, Maindy, Cardiff.