

3974021

# **WILMSLOW (No. 3) GENERAL PARTNER LIMITED**

Report and Accounts

30 June 2003



# Wilmslow (No.3) General Partner Limited

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Registered No. 3974021

## **DIRECTORS**

Peter Allen  
Peter Miller  
Andrew Dewhirst  
Andrew Martin  
Richard Low

## **SECRETARY**

EPS Secretaries Limited

## **AUDITORS**

Ernst & Young LLP  
Becket House  
1 Lambeth Palace Road  
London SE1 7EU

## **BANKERS**

Barclays Bank PLC  
54 Lombard Street  
London EC4N 8JA

## **SOLICITORS**

Nabarro Nathanson  
Lacon House  
Theobald's Road  
London WC1X 8RW

## **REGISTERED OFFICE**

MidCity Place, 71 High Holborn  
London WC1V 6EA

# Wilmslow (No.3) General Partner Limited

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## DIRECTORS' REPORT

**The directors present their annual report and accounts for the year ended 30 June 2003.**

### RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £32,000, (year ended 30 June 2002: £7,000). The directors do not propose the payment of a dividend (year ended 30 June 2002: £nil).

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

During the year the company, acting as the General Partner, had an interest of 1% in the profits and assets of The Wilmslow (No.3) Limited Partnership. Westfield UK (Nominee) Limited and MEPC Eagle LP Limited, acting as the Limited Partners, had an interest of 49.5% each in the profits and assets and liabilities of the Partnership. On 29 September 2002 MEPC Eagle LP Limited sold its interest in the Partnership to Britel Fund Trustees Limited.

The principal activity of The Wilmslow (No.3) Limited Partnership during the year was the ownership of the The Eagle Centre, Derby.

### FUTURE DEVELOPMENTS

The directors anticipate that the activity of the company will continue for the foreseeable future.

### DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1.

During the year Iain Watters was reappointed as a director on 15 August 2002 and John O'Sullivan resigned on that date.

Following the transfer of interest referred to above Stewart McGarrity, Stephen East and Iain Watters resigned on 27 September 2002. Andrew Dewhirst, Andrew Martin and Richard Low were appointed as directors on that date. Polly Joseph was also appointed as a director on 27 September 2002 and resigned on 30 September 2002.

The directors have no interest in the share capital of the company.

### AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office as auditors.

By order of the Board

Director

Date

  
25/9/2003

## Wilmslow (No.3) General Partner Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year 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 year. In preparing those accounts, the directors are required to:

- *select suitable accounting policies and then apply them consistently;*
- *make judgements and estimates that are reasonable and prudent; and*
- *prepare the accounts 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 accounts 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.

## **INDEPENDENT AUDITORS' REPORT**

**to the members of Wilmslow (No.3) General Partner Limited**

We have audited the company's accounts for the year ended 30 June 2003 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11. These accounts have been prepared on the basis of 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 the financial statements in accordance with applicable United Kingdom law and accounting standards.

*Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 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.

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 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 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 affairs of the company as at 30 June 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP  
Registered Auditor  
London  
Date:

25 September 2003

# Wilmslow (No.3) General Partner Limited

## PROFIT AND LOSS ACCOUNT for the year ended 30 June 2003

|                                                      | <i>Notes</i> | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|------------------------------------------------------|--------------|----------------------|----------------------|
| Administrative expenses                              |              | <u>(2)</u>           | <u>(2)</u>           |
| <b>OPERATING LOSS</b>                                | 2            | (2)                  | (2)                  |
| Investment Income                                    |              | <u>42</u>            | <u>10</u>            |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |              | 40                   | 8                    |
| Tax on profit on ordinary activities                 | 5            | <u>(8)</u>           | <u>(1)</u>           |
| <b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>  | 10           | <u>32</u>            | <u>7</u>             |

There are no other gains or losses other than those reported for the year ended 30 June 2003.

# Wilmslow (No.3) General Partner Limited

## BALANCE SHEET as at 30 June 2003

|                                                       | Notes | 2003<br>£000 | 2002<br>£000 |
|-------------------------------------------------------|-------|--------------|--------------|
| <b>FIXED ASSETS</b>                                   |       |              |              |
| Investments                                           | 6     | <u>1</u>     | <u>1</u>     |
|                                                       |       | 1            | 1            |
| <b>CURRENT ASSETS</b>                                 |       |              |              |
| Debtors                                               | 7     | 46           | 11           |
| <b>CREDITORS:</b> amounts falling due within one year | 8     | <u>(7)</u>   | <u>(4)</u>   |
| <b>NET CURRENT ASSETS</b>                             |       | <u>39</u>    | <u>7</u>     |
| <b>NET ASSETS</b>                                     |       | <u>40</u>    | <u>8</u>     |
| <b>CAPITAL AND RESERVES</b>                           |       |              |              |
| Called up share capital                               | 9     | 1            | 1            |
| Profit and loss account                               | 10    | <u>39</u>    | <u>7</u>     |
| <b>EQUITY SHAREHOLDERS' FUNDS</b>                     |       | <u>40</u>    | <u>8</u>     |

  
Director

Date

25/9/2003

# Wilmslow (No.3) General Partner Limited

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## NOTES TO THE ACCOUNTS

as at 30 June 2003

### 1. ACCOUNTING POLICIES

#### ***Basis of accounting***

The accounts are prepared under the historical cost convention, in accordance with applicable accounting standards.

The directors of the company are of the opinion that the 1% investment in The Wilmslow (No 3) Limited Partnership does not constitute control, as defined under FRS2 "Accounting for subsidiary undertakings". Accordingly these accounts have been prepared on a company only basis. The investment has been treated as a fixed asset investment in the accounts of the company.

In addition the company owns two subsidiaries which have not been consolidated. W (No. 3) GP (Nominee A) Limited and W (No. 3) GP (Nominee B) Limited. The company has taken advantage of the exemption under section 229(2) of the Companies Act 1985 not to consolidate these entities, since their inclusion is not material for the purpose of giving a true and fair view.

#### ***Investments***

Investments are stated at cost.

#### ***Deferred tax***

Full provision has been made for deferred taxation in respect of timing differences that have originated but not reversed at the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in the future by the balance sheet date except that:

- No provision is made for gains on disposal of assets that have been rolled over into replacement assets.
- Deferred tax assets are recognised to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates enacted at the balance sheet date.

# Wilmslow (No.3) General Partner Limited

## NOTES TO THE ACCOUNTS

as at 30 June 2003

### 2. OPERATING LOSS

This is stated after charging:

|                                    | 2003<br>£000 | 2002<br>£000 |
|------------------------------------|--------------|--------------|
| Auditors remuneration – audit fees | <u>2</u>     | <u>2</u>     |

### 3. DIRECTORS' EMOLUMENTS

The directors did not receive any remuneration during the year in respect of their services provided to the group (year ending 30 June 2002: £nil).

### 4. STAFF COSTS

There are no staff employed by the company (year ending 30 June 2002: £nil).

### 5. TAX

(a) Analysis of tax charge in the year:

|                                                        | 2003<br>£000 | 2002<br>£000 |
|--------------------------------------------------------|--------------|--------------|
| The tax charge for the year comprises:                 |              |              |
| UK corporation tax: current year at 19% (2002: 19.75%) | 5            | 3            |
| Over provision in respect of prior year                | <u>-</u>     | <u>(1)</u>   |
|                                                        | 5            | 2            |
| Deferred tax: current year                             | <u>3</u>     | <u>(1)</u>   |
|                                                        | <u>8</u>     | <u>1</u>     |

(b) Factors affecting tax charge for the year:

|                                                                                                                     | 2003<br>£000 | 2002<br>£000 |
|---------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Profit on ordinary activities before tax                                                                            | <u>40</u>    | <u>8</u>     |
| Profit on ordinary activities multiplied by small companies rate of corporation tax in the UK of 19% (2002: 19.75%) | 8            | 2            |
| Effects of: taxable investment income not recognised in accounts                                                    | <u>(3)</u>   | <u>1</u>     |
| Current tax charge for year                                                                                         | <u>5</u>     | <u>3</u>     |

(c) (Decrease) / Increase in deferred tax asset:

|                          | 2003<br>£000 | 2002<br>£000 |
|--------------------------|--------------|--------------|
| Other timing differences | <u>(3)</u>   | <u>1</u>     |

# Wilmslow (No.3) General Partner Limited

## NOTES TO THE ACCOUNTS

as at 30 June 2003

### 6. INVESTMENTS

|                                         | 2003<br>£000 | 2002<br>£000 |
|-----------------------------------------|--------------|--------------|
| The Wilmslow (No 3) Limited Partnership | <u>1</u>     | <u>1</u>     |

The investment relates to a 1% holding in The Wilmslow (No.3) Limited Partnership, which was established under a Limited Partnership Agreement dated 28 July 2000. The Limited Partnership is registered in England pursuant to the provisions of The Limited Partnerships Act 1907.

### 7. DEBTORS

|                                      | 2003<br>£000 | 2002<br>£000 |
|--------------------------------------|--------------|--------------|
| Amounts due from Limited Partnership | 45           | 7            |
| Deferred tax                         | 1            | 4            |
|                                      | <u>46</u>    | <u>11</u>    |

### 8. CREDITORS amounts falling due within one year

|                 | 2003<br>£000 | 2002<br>£000 |
|-----------------|--------------|--------------|
| Accruals        | 2            | 2            |
| Corporation tax | 5            | 2            |
|                 | <u>7</u>     | <u>4</u>     |

### 9. SHARE CAPITAL

|                            | 2003<br>Authorised<br>No. | 2003<br>Allotted,<br>Called up<br>and fully<br>paid<br>£000 | 2002<br>Authorised<br>No. | 2002<br>Allotted,<br>Called up<br>and fully<br>paid<br>£000 |
|----------------------------|---------------------------|-------------------------------------------------------------|---------------------------|-------------------------------------------------------------|
| Ordinary shares of £1 each | <u>1,000</u>              | <u>1</u>                                                    | <u>1,000</u>              | <u>1</u>                                                    |

### 10. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

|                         | Share<br>capital<br>£000 | Profit and<br>loss<br>account<br>£000 | Share-<br>holders<br>funds<br>£000 |
|-------------------------|--------------------------|---------------------------------------|------------------------------------|
| Balance at 1 July 2001  | 1                        | -                                     | 1                                  |
| Profit for the year     | -                        | 7                                     | 7                                  |
| Balance at 1 July 2002  | <u>1</u>                 | <u>7</u>                              | <u>8</u>                           |
| Profit for the year     | -                        | 32                                    | 32                                 |
| Balance at 30 June 2003 | <u>1</u>                 | <u>39</u>                             | <u>40</u>                          |

## Wilmslow (No.3) General Partner Limited

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### **NOTES TO THE ACCOUNTS**

as at 30 June 2003

#### **11. PARENT UNDERTAKINGS**

At the balance sheet date the company was jointly controlled by Cavemont Pty Limited and Britel Fund Nominees Limited.

The ultimate controlling entity of Cavemont Pty Limited is Westfield Holdings Limited. Copies of the accounts of Westfield Holdings Limited are available from Level 24 Westfield Towers, 100 William Street, Sydney, Australia NSW 2011.

Britel Fund Nominees Limited are the nominees for the BT Pension Scheme.

THESE PARTNERSHIP  
ACCOUNTS FORM  
PART OF THE ACCOUNTS  
OF COMPANY  
No. 3974021

WILMSLOW (No. 3) LIMITED PARTNERSHIP  
Report and Accounts 30 June 2003

## **STATEMENT OF PARTNERS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF ACCOUNTS**

The Wilmslow (No. 3) Limited Partnership is registered pursuant to the provisions of The Limited Partnerships Act 1907. The Partnerships and Unlimited Companies (Accounts) Regulations 1993 (SI 1820, 1993) require certain qualifying partnerships to prepare and have audited annual accounts and reports as required for a company by the Companies Act 1985. The Partnership is a qualifying partnership as all its members are limited companies.

Wilmslow (No. 3) General Partner Limited, acting as the General Partner, is responsible under Article 11 of the Limited Partnership Agreement of 28 July 2000 for the preparation of the Partnership accounts in accordance with English law and United Kingdom generally accepted accounting principles and practices.

The General Partner is required to prepare accounts for each period of the Partnership which give a true and fair view of the state of affairs of the Partnership as at the end of the financial year and of the profit or loss for that period. In preparing those accounts, the general partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that the partnership will continue in business.

The general partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the partnership and to enable them to ensure that the accounts comply with SI 1820, 1993 (Regulation 4). It is also responsible for the partnership's system of internal financial control, for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILMSLOW (NO. 3) LIMITED PARTNERSHIP**

We have audited the partnership's financial statements for the year ended 30 June 2003 which comprise the Profit and Loss Account, Statement of Profit Appropriation, Statement of Total Recognised Gains and Losses, Balance Sheet, Cash Flow Statement and the related notes 1 to 15. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the members of the limited partnership pursuant to The Partnership and Unlimited Companies (Accounts) Regulations 1993 (SI 1820,1993) (the "Statutory Instrument"). Our audit work has been undertaken so that we might state to the partnership'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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Partners and Auditors**

As described in the Statement of Partners' Responsibilities the General Partner is responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view.

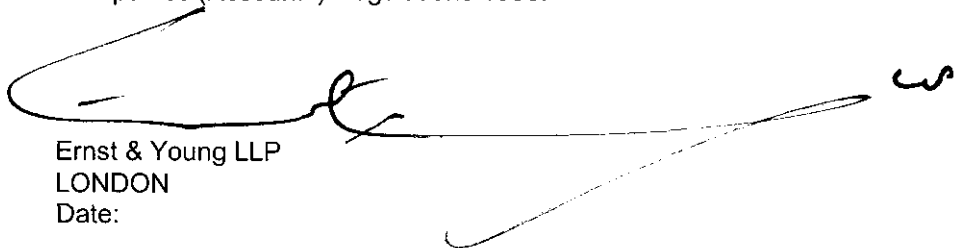
### **Basis of audit opinion**

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 judgments made by the Partners in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Partnership'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 affairs of the Partnership as at 30 June 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Regulations of the Limited Partnership Agreement which are governed by The Partnership and Unlimited Companies (Accounts) Regulations 1993.



Ernst & Young LLP  
LONDON  
Date:

25 September 2003

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 June 2003**

|                                      | <i>Notes</i> | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|--------------------------------------|--------------|----------------------|----------------------|
| <b>Turnover</b>                      | 3            | 12,428               | 11,311               |
| Cost of sales                        |              | <u>(1,846)</u>       | <u>(1,749)</u>       |
| <b>Gross profit</b>                  |              | 10,582               | 9,562                |
| Administrative expenses              |              | <u>(1,609)</u>       | <u>(1,774)</u>       |
| <b>Operating Profit</b>              | 4            | 8,973                | 7,788                |
| Interest receivable                  |              | 93                   | 67                   |
| Interest payable and similar charges | 6            | <u>(6,305)</u>       | <u>(6,294)</u>       |
| <b>Profit on ordinary activities</b> | 12           | <u>2,761</u>         | <u>1,561</u>         |

**STATEMENT OF PROFIT APPROPRIATION**

|                                         | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|-----------------------------------------|----------------------|----------------------|
| Wilmslow (No.3) General Partner Limited | 27                   | 15                   |
| Westfield UK (Nominee) Limited          | 1,367                | 773                  |
| MEPC Eagle LP Limited                   | -                    | 773                  |
| Britel Fund Trustees Limited            | <u>1,367</u>         | <u>-</u>             |
|                                         | <u>2,761</u>         | <u>1,561</u>         |

**STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES**  
**for the year ended 30 June 2003**

|                                                            | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|------------------------------------------------------------|----------------------|----------------------|
| Profit for the year                                        | 2,761                | 1,561                |
| Surplus / (Deficit) arising on revaluation of fixed assets | 7 14,248             | (8,401)              |
| <b>TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR</b>      | <u>17,009</u>        | <u>(6,840)</u>       |

**BALANCE SHEET**  
as at 30 June 2003

|                                                                | Notes | 2003<br>£000    | 2002<br>£000    |
|----------------------------------------------------------------|-------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                                            |       |                 |                 |
| Investment property                                            | 7     | 139,000         | 124,000         |
| Developments in progress                                       | 7     | 6,702           | 2,231           |
| Plant and equipment                                            | 7     | 17              | 104             |
|                                                                |       | <u>145,719</u>  | <u>126,335</u>  |
| <b>CURRENT ASSETS</b>                                          |       |                 |                 |
| Debtors                                                        | 8     | 521             | 1,226           |
| Cash at bank and in hand                                       | 13(b) | <u>3,367</u>    | <u>3,100</u>    |
|                                                                |       | 3,888           | 4,326           |
| <b>CREDITORS: amounts falling due within one year</b>          | 9     | <u>(7,789)</u>  | <u>(5,041)</u>  |
| <b>NET CURRENT LIABILITIES</b>                                 |       | <u>(3,901)</u>  | <u>(715)</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |       | 141,818         | 125,620         |
| <b>CREDITORS: amounts falling due after more than one year</b> | 10    | <u>(82,397)</u> | <u>(82,294)</u> |
| <b>NET ASSETS</b>                                              |       | <u>59,421</u>   | <u>43,326</u>   |
| <b>FINANCED BY</b>                                             |       |                 |                 |
| Partners' capital accounts                                     | 12    | 100             | 100             |
| Partners' subordinated debt                                    | 12    | 47,196          | 47,196          |
| Partners' current accounts                                     | 12    | <u>12,125</u>   | <u>(3,970)</u>  |
|                                                                |       | <u>59,421</u>   | <u>43,326</u>   |

Signed on behalf of the General Partner: .....

Date: ..... 25/9/2003 .....

**CASH FLOW STATEMENT**  
for the year ended 30 June 2003

|                                                                 | <i>Notes</i> | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|-----------------------------------------------------------------|--------------|----------------------|----------------------|
| <b>Net cash inflow from operating activities</b>                | 13(a)        | 12,429               | 7,994                |
| <b>Returns on investment and servicing of finance:</b>          |              |                      |                      |
| Interest received                                               |              | 93                   | 67                   |
| Interest paid                                                   |              | (6,197)              | (5,147)              |
| <b>Capital expenditure and financial investment:</b>            |              |                      |                      |
| Purchase and expenditure on freehold property                   | 7            | (5,146)              | (4,147)              |
| Purchase of other tangible fixed assets                         |              | -                    | (66)                 |
| Distributions to partners                                       |              | <u>(3,928)</u>       | <u>(1,020)</u>       |
| <b>Net cash outflow before financing</b>                        |              | (2,749)              | (2,319)              |
| <b>Financing:</b>                                               |              |                      |                      |
| Partners' contributions to current accounts                     | 12           | 3,014                | 3,014                |
| Proceeds from tenant deposits                                   | 10           | <u>2</u>             | <u>24</u>            |
| <b>Increase in cash and cash equivalents</b>                    | 13(b)        | <u>267</u>           | <u>719</u>           |
| <b>Reconciliation of net cash flow to movements in net debt</b> |              |                      |                      |
| Increase in cash and cash equivalents                           |              | 267                  | 719                  |
| Cash inflow from increase in debt                               |              | <u>(2)</u>           | <u>(24)</u>          |
| <b>Movement in net debt during the year</b>                     | 13(b)        | <u>265</u>           | <u>695</u>           |
| <b>Net debt at 1 July</b>                                       | 13(b)        | (126,289)            | (126,984)            |
| <b>Net debt at 30 June</b>                                      | 13(b)        | <u>(126,024)</u>     | <u>(126,289)</u>     |

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention modified to include the revaluation of investment properties and in accordance with all applicable accounting standards in the United Kingdom.

#### DEPRECIATION

Depreciation is provided on assets (excluding the investment property) to write off the cost or revalued amounts less estimated residual value (based on prices prevailing at the date of acquisition or revaluation). Depreciation rates are applied to cost or the revalued amounts, at the following rates:

|                    |     |
|--------------------|-----|
| Computer equipment | 30% |
|--------------------|-----|

|                           |     |
|---------------------------|-----|
| Other plant and machinery | 20% |
|---------------------------|-----|

The carrying value of tangible fixed assets are reviewed for impairment, when events or changes in circumstances indicate the carrying value may not be recoverable.

#### INVESTMENT PROPERTY

*The Partnership's investment property is held for long term investment. Investment properties are accounted for in accordance with SSAP19, as follows:*

- (i) Investment properties are revalued annually and the surpluses or deficits are transferred to a revaluation reserve. In the case of permanent impairment in value of individual properties, any deficits below cost are taken to the profit and loss account for the period and;
- (ii) No depreciation or amortisation is provided in respect of investment properties with over 20 years to run.

#### DEVELOPMENTS IN PROGRESS

All expenditure incurred by the partnership in connection with the potential redevelopment of the investment property has been classified separately within note 7, "tangible fixed assets", as developments in progress. This amount is stated at cost.

#### TAXATION

No taxation is provided, as the tax liabilities on the partnership's profits are a liability of the partners and not of the partnership.

#### BORROWING EXPENSES

All costs incurred directly in connection with the issue of debt are deducted from the proceeds and the net amount included in liabilities. Such costs, together with any discount on issue, are charged to the profit and loss account over the term of the debt at a constant return on the carrying amount of the liability.

**NOTES TO THE ACCOUNTS****2. PRINCIPAL ACTIVITY**

The Partnership Agreement dated 28 July 2000 states that the purpose of the Partnership is to carry out property investment.

The principal activity of the Partnership during the year was the ownership of The Eagle Centre, Derby.

During the year Wilmslow (No. 3) General Partner Limited, acting as general partner, had an interest of 1% in the profits and assets of the Partnership. Westfield UK (Nominee) Limited and Britel Fund Trustees Limited, acting as limited partners, each had an interest of 49.5% in the profits and assets of the Partnership.

On 29 September 2002, MEPC Eagle LP Limited sold its interest in the Partnership to Britel Fund Trustees Limited.

**3. TURNOVER**

|                           | <b>2003</b>   | <b>2002</b>   |
|---------------------------|---------------|---------------|
|                           | <b>£000</b>   | <b>£000</b>   |
| Rental Income             | 7,935         | 7,556         |
| Service Charge Recoveries | 1,498         | 1,360         |
| Other Income              | 2,995         | 2,395         |
|                           | <u>12,428</u> | <u>11,311</u> |

Turnover is stated net of value added tax, and relates to one geographical market, the United Kingdom.

**4. OPERATING PROFIT**

This is stated after charging:

|                                    | <b>2003</b> | <b>2002</b> |
|------------------------------------|-------------|-------------|
|                                    | <b>£000</b> | <b>£000</b> |
| Auditors remuneration – audit fees | 15          | 12          |
| – non-audit fees                   | 1           | 1           |
| Depreciation of owned fixed assets | <u>10</u>   | <u>20</u>   |

**5. STAFF COSTS**

The Partnership did not employ staff directly during the year (year ended 30 June 2002: £nil).

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

|                           | <b>2003</b>  | <b>2002</b>  |
|---------------------------|--------------|--------------|
|                           | <b>£000</b>  | <b>£000</b>  |
| Bank Interest             | 6,204        | 6,193        |
| Amortisation of loan fees | 101          | 101          |
|                           | <u>6,305</u> | <u>6,294</u> |

## NOTES TO THE ACCOUNTS

## 7. TANGIBLE FIXED ASSETS

|                                         | <i>Freehold<br/>investment<br/>property<br/>£000</i> | <i>Developments<br/>in progress<br/>£000</i> | <i>Plant and<br/>equipment<br/>£000</i> | <i>Total<br/>£000</i> |
|-----------------------------------------|------------------------------------------------------|----------------------------------------------|-----------------------------------------|-----------------------|
| <b>Cost or valuation:</b>               |                                                      |                                              |                                         |                       |
| At 1 July 2002                          | 124,000                                              | 2,231                                        | 139                                     | 126,370               |
| Additions                               | 675                                                  | 4,471                                        | -                                       | 5,146                 |
| Reclassification of plant and equipment | 77                                                   | -                                            | (92)                                    | (15)                  |
| Surplus arising on revaluation          | 14,248                                               | -                                            | -                                       | 14,248                |
| At 30 June 2003                         | <u>139,000</u>                                       | <u>6,702</u>                                 | <u>47</u>                               | <u>145,749</u>        |
| <b>Depreciation:</b>                    |                                                      |                                              |                                         |                       |
| At 1 July 2002                          | -                                                    | -                                            | 35                                      | 35                    |
| Provided during the year                | -                                                    | -                                            | 10                                      | 10                    |
| Reclassification of plant and equipment | -                                                    | -                                            | (15)                                    | (15)                  |
| At 30 June 2003                         | <u>-</u>                                             | <u>-</u>                                     | <u>30</u>                               | <u>30</u>             |
| <b>NET BOOK VALUE</b>                   |                                                      |                                              |                                         |                       |
| At 30 June 2003                         | <u>139,000</u>                                       | <u>6,702</u>                                 | <u>17</u>                               | <u>145,719</u>        |
| At 1 July 2002                          | <u>124,000</u>                                       | <u>2,231</u>                                 | <u>104</u>                              | <u>126,335</u>        |

The freehold investment property was valued by Knight Frank, Chartered Surveyors, as at 30 June 2003 on the basis of open market value in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. The historical cost of the investment property included at valuation is as follows:

|                 | <i>£000</i> |
|-----------------|-------------|
| At 30 June 2003 | 133,153     |
| At 1 July 2002  | 132,401     |

At 30 June 2003 certain categories of plant and equipment have been reclassified to leasehold investment property. In the opinion of the partners, this treatment is more appropriate as this plant and equipment relates to building works, kiosk and RMU installations, all of which enhance value and therefore should be included in the property net book value which is subject to annual valuation rather than being systematically depreciated as separate fixed assets.

## NOTES TO THE ACCOUNTS

## 8. DEBTORS

|                                | 2003       | 2002         |
|--------------------------------|------------|--------------|
|                                | £000       | £000         |
| Trade debtors                  | 386        | 674          |
| Other debtors                  | -          | 164          |
| Prepayments and accrued income | 135        | 388          |
|                                | <u>521</u> | <u>1,226</u> |

## 9. CREDITORS amounts falling due within one year

|                                 | 2003         | 2002         |
|---------------------------------|--------------|--------------|
|                                 | £000         | £000         |
| Trade creditors                 | 123          | 76           |
| Accruals and deferred income    | 3,564        | 3,504        |
| Amounts due to related parties  | 3,485        | 666          |
| Other taxes and social security | 412          | 705          |
| Other creditors                 | 205          | 90           |
|                                 | <u>7,789</u> | <u>5,041</u> |

## 10. CREDITORS amounts falling due after more than one year

|                             | 2003          | 2002          |
|-----------------------------|---------------|---------------|
|                             | £000          | £000          |
| Bank loan                   | 82,600        | 82,600        |
| Less: unamortised loan fees | (236)         | (337)         |
|                             | <u>82,364</u> | <u>82,263</u> |
| Other                       | 33            | 31            |
|                             | <u>82,397</u> | <u>82,294</u> |

## 11. LOANS

|                                             | 2003          | 2002          |
|---------------------------------------------|---------------|---------------|
|                                             | £000          | £000          |
| Wholly repayable between two and five years | <u>82,600</u> | <u>82,600</u> |

The loan is secured by a charge over the investment property.

## NOTES TO THE ACCOUNTS

## 12. PARTNERS' ACCOUNTS

*Capital Accounts*

|                                     | <i>Wilmslow<br/>(No.3)<br/>General<br/>Partner<br/>Limited</i> | <i>Westfield<br/>UK<br/>(Nominee)<br/>Limited</i> | <i>Britel Fund<br/>Trustees<br/>Limited</i> | <i>MEPC Eagle<br/>LP Limited</i> | <i>Total</i>   |
|-------------------------------------|----------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|----------------------------------|----------------|
|                                     | £                                                              | £                                                 | £                                           | £                                | £              |
| At 1 July 2002                      | 1,000                                                          | 49,500                                            | -                                           | 49,500                           | 100,000        |
| Transfer of Partnership<br>interest | -                                                              | -                                                 | 49,500                                      | (49,500)                         | -              |
| Movement during the year            | -                                                              | -                                                 | -                                           | -                                | -              |
| At 30 June 2003                     | <u>1,000</u>                                                   | <u>49,500</u>                                     | <u>49,500</u>                               | <u>-</u>                         | <u>100,000</u> |

*Subordinated Debt*

|                                     | <i>Wilmslow<br/>(No.3)<br/>General<br/>Partner<br/>Limited<br/>£000</i> | <i>Westfield<br/>UK<br/>(Nominee)<br/>Limited<br/>£000</i> | <i>Britel Fund<br/>Trustees<br/>Limited<br/>£000</i> | <i>MEPC Eagle<br/>LP Limited<br/>£000</i> | <i>Total<br/>£000</i> |
|-------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|-----------------------|
| At 1 July 2002                      | -                                                                       | 23,598                                                     | -                                                    | 23,598                                    | 47,196                |
| Transfer of Partnership<br>interest | -                                                                       | -                                                          | 23,598                                               | (23,598)                                  | -                     |
| Movement during the year            | -                                                                       | -                                                          | -                                                    | -                                         | -                     |
| At 30 June 2003                     | <u>-</u>                                                                | <u>23,598</u>                                              | <u>23,598</u>                                        | <u>-</u>                                  | <u>47,196</u>         |

*Current Accounts*

|                                     | <i>Wilmslow<br/>(No.3)<br/>General<br/>Partner<br/>Limited<br/>£000</i> | <i>Westfield<br/>UK<br/>(Nominee)<br/>Limited<br/>£000</i> | <i>Britel Fund<br/>Trustees<br/>Limited<br/>£000</i> | <i>MEPC Eagle<br/>LP Limited<br/>£000</i> | <i>Total<br/>£000</i> |
|-------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|-----------------------|
| <b>Profit Appropriation</b>         |                                                                         |                                                            |                                                      |                                           |                       |
| Balance at 1 July 2002              | 15                                                                      | 701                                                        | -                                                    | 701                                       | 1,417                 |
| Transfer of Partnership<br>interest | -                                                                       | -                                                          | 701                                                  | (701)                                     | -                     |
| Drawings                            | (42)                                                                    | (1,943)                                                    | (1,943)                                              | -                                         | (3,928)               |
| Profit Appropriation                | <u>27</u>                                                               | <u>1,367</u>                                               | <u>1,367</u>                                         | <u>-</u>                                  | <u>2,761</u>          |
| Balance at 30 June 2003             | -                                                                       | 125                                                        | 125                                                  | -                                         | 250                   |

*Contributions*

|                                     | <i>Wilmslow<br/>(No.3)<br/>General<br/>Partner<br/>Limited<br/>£000</i> | <i>Westfield<br/>UK<br/>(Nominee)<br/>Limited<br/>£000</i> | <i>Britel Fund<br/>Trustees<br/>Limited<br/>£000</i> | <i>MEPC Eagle<br/>LP Limited<br/>£000</i> | <i>Total<br/>£000</i> |
|-------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|-----------------------|
| Balance at 1 July 2002              | -                                                                       | 1,507                                                      | -                                                    | 1,507                                     | 3,014                 |
| Transfer of Partnership<br>interest | -                                                                       | -                                                          | 1,507                                                | (1,507)                                   | -                     |
| Contributions (Net)                 | <u>20</u>                                                               | <u>1,497</u>                                               | <u>1,497</u>                                         | <u>-</u>                                  | <u>3,014</u>          |
| Balance at 30 June 2003             | 20                                                                      | 3,004                                                      | 3,004                                                | -                                         | 6,028                 |

## NOTES TO THE ACCOUNTS

## 12. PARTNERS' ACCOUNTS (cont'd)

## Current Accounts (cont'd)

|                                   | <i>Wilmslow<br/>(No.3)<br/>General<br/>Partner<br/>Limited<br/>£000</i> | <i>Westfield<br/>UK<br/>(Nominee)<br/>Limited<br/>£000</i> | <i>Britel Fund<br/>Trustees<br/>Limited<br/>£000</i> | <i>MEPC Eagle<br/>LP Limited<br/>£000</i> | <i>Total<br/>£000</i> |
|-----------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|-----------------------|
| <b>Revaluation Reserve</b>        |                                                                         |                                                            |                                                      |                                           |                       |
| Balance at 1 July 2002            | -                                                                       | (4,201)                                                    | -                                                    | (4,200)                                   | (8,401)               |
| Transfer of Partnership interest  | -                                                                       | -                                                          | (4,200)                                              | 4,200                                     | -                     |
| Adjustment to revaluation reserve | 59                                                                      | 7,095                                                      | 7,094                                                | -                                         | 14,248                |
| Balance at 30 June 2003           | 59                                                                      | 2,894                                                      | 2,894                                                | -                                         | 5,847                 |
| At 30 June 2003                   | 79                                                                      | 6,023                                                      | 6,023                                                | -                                         | 12,125                |

No interest is charged on the partners' current, capital or subordinated debt accounts.

## 13. RECONCILIATION OF OPERATING PROFIT TO CASHFLOW FROM OPERATIONS

## (a) Note to cash flow statement

|                                  | <i>2003<br/>£000</i> | <i>2002<br/>£000</i> |
|----------------------------------|----------------------|----------------------|
| Operating profit                 | 8,973                | 7,788                |
| Depreciation of tangible assets  | 10                   | 20                   |
| Increase in creditors            | 2,741                | 474                  |
| Decrease/(Increase) in debtors   | 705                  | (288)                |
| <b>Cash flow from operations</b> | <b>12,429</b>        | <b>7,994</b>         |

## (b) Analysis of net debt

|                 | <i>Cash at<br/>bank and<br/>in hand<br/>£000</i> | <i>Debt<br/>&gt; 1 year<br/>£000</i> | <i>Total<br/>£000</i> |
|-----------------|--------------------------------------------------|--------------------------------------|-----------------------|
| At 1 July 2002  | 3,100                                            | (129,389)                            | (126,289)             |
| Cash flow       | 267                                              | (2)                                  | 265                   |
| At 30 June 2003 | 3,367                                            | (129,391)                            | (126,024)             |

## 14 RELATED PARTIES

Westfield Shoppingtowns Limited is deemed to be a related party to the Limited Partnership by virtue of the fact that there is a formal agreement in place to manage the Limited Partnership's day-to-day activities.

Total charges from Westfield Shoppingtowns Limited, (which included development work in progress) during the year amounted to £5,831,039, of which £3,485,476 remained outstanding at year end, (year ended 30 June 2002: total charged £3,575,000; £666,000 outstanding).

## **15. COMMITMENTS AND CONTINGENT LIABILITIES**

The Wilmslow (No. 3) Limited Partnership has indemnified Derby City Council as to the costs associated with a Compulsory Purchase Enquiry associated with the anticipated but not yet committed to redevelopment of the Eagle Centre, Derby. As at the Balance Sheet date the likely future costs associated with this are yet to be determined.

Certified as a true copy of the original

Signed: AWA

Solicitor

Date: 7/10/03

Company No: 3974021

**APPROVAL OF ANNUAL ACCOUNTS AND REPORTS AND  
CONFIRMATION OF APPOINTMENT OF AUDITORS**

**WILMSLOW (No. 3) GENERAL PARTNER LIMITED  
(the "Company")**

Minutes of a meeting of the board of directors of the Company duly convened and held at 6th Floor, Mid City Place 71 High Holborn, London WC1V 6EA on **25 SEPTEMBER** 2003 at **5** ~~am~~/pm.

Present: **PETER MILLER** (Chairman)

**ANDREW DENTHIES**

In attendance: **PAUL WRAY, JONATHAN TURNER**

**1. QUORUM**

The Chairman took the chair and confirmed that a quorum of the Board of Directors of the Company was present and declared the Meeting open. Expressions defined in the Partnership Deed (referred to in paragraph 2) shall have the same meaning as in these minutes.

**2. PURPOSE OF THE MEETING**

IT WAS REPORTED that the principal purpose of the Meeting was for the Company to consider and if thought fit, to approve the following:

- 2.1 as General Partner of The Wilmslow (No.3) Limited Partnership, a Limited Partnership established by deed dated 28 July 2000 ("Partnership Deed") and registered with LP No. 7037 (the "Partnership"), the Partnership accounts and auditors' report for the year ending 30 June 2003 for dispatch to the Limited Partners ("Partnership Accounts");
- 2.2 the Company's accounts and the directors' and auditors' reports for the year ending 30 June 2003 ("Company's Accounts"); and
- 2.3 letters from the Company to the auditors relating to the preparation of the Partnership Accounts and Company's Accounts (the "Company's Letters");
- 2.4 to instruct any Director or the Secretary of the Company to deliver signed copies of the Partnership Accounts and the Company's Accounts to the Registrar of Companies; and
- 2.5 to confirm the continued appointment of Ernst & Young LLP as the Company's auditors.

### **3. DIRECTORS INTERESTS**

Each member of the Board declared that he had no interest in the matters under consideration which would prevent him voting or counting towards a quorum whether by law, the Articles of Association of the Company or otherwise and each member of the Board was personally interested in the matters under consideration by virtue of his directorship or shareholding (whether direct or indirect) or his employment or engagement for services with the Company, the Westfield group of companies, the BT Pension Scheme, the Hermes group of companies or otherwise and duly declared his interest in accordance with Section 317 of the Companies Act 1985 and, if appropriate, Section 324 of the Companies Act 1985.

### **4. AUDITORS**

The Chairman confirmed that pursuant to an elective resolution dated 30 April 2001, the Company had dispensed with the obligation to re-appoint its auditors on an annual basis and as such, Ernst & Young LLP would remain in office as the Company's auditors until either they or the Company determined otherwise.

### **5. TABLING OF DOCUMENTS**

THERE WERE PRODUCED to the Meeting the following documents (the "Documents"):

- 5.1 a draft of the Partnership Accounts;
- 5.2 a draft of the Company's Accounts; and
- 5.3 drafts of the Company's Letters.

### **6. REVIEW AND RESOLUTION**

Having carefully reviewed and considered the Documents and the facts referred to in the above paragraphs all of the Directors present at the Meeting unanimously RESOLVED THAT:

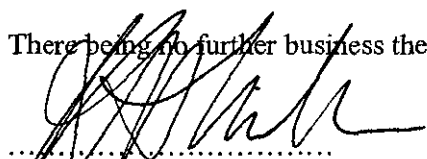
- 6.1 the Partnership Accounts be and are hereby approved for dispatch to the Limited Partners;
- 6.2 the Company's Accounts be and are hereby approved;
- 6.3 any Director of the Company be and is hereby authorised on behalf of the Company to sign and dispatch on behalf of the Company, the Partnership Accounts to the Limited Partners and to take any other action or perform any other formalities on behalf of the Company as such person may consider appropriate or necessary in connection with the Partnership Accounts;
- 6.4 any Director of the Company be and is hereby authorised on behalf of the Company to sign and dispatch on behalf of the Company, the Company's Accounts to the members and to take any other action or perform any other formalities on behalf of the Company as such person may consider appropriate or necessary in connection with the Company's Accounts;
- 6.5 the Company's Letters be and are hereby approved and any Director of the Company be and is hereby authorised on behalf of the Company to sign and dispatch on behalf

of the Company, the Company's Letters to the auditors and to take any other action or perform any other formalities on behalf of the Company as such person may consider appropriate or necessary in connection with the Company's Letters;

- 6.6 any Director or the Secretary of the Company be and is hereby instructed to deliver to the Registrar of Companies a signed copy of each of the Partnership Accounts and the Company's Accounts; and
- 6.7 any Director or the Secretary of the Company be authorised to certify copies of any document signed by the Company or relating to the business of the Company referred to in these Minutes.

**7. CLOSURE**

There being no further business the Chairman declared the Meeting closed.



.....  
CHAIRMAN