Company Registration No. 656180

Deloitte & Touche

LINTSBROOK DEVELOPMENTS LIMITED

Report and Financial Statements

31 December 2002



Deloitte & Touche
London

LINTSBROOK DEVELOPMENTS LIMITED

Deloitte & Touche

REPORT AND FINANCIAL STATEMENTS 2002

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

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REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M S Gorvy
T Moross
A J Leibowitz
D J Salvesen
J Kennedy

SECRETARY

Hanover Management Services Limited

REGISTERED OFFICE

16 Hans Road
London SW3 IRS

AUDITORS

Deloitte & Touche
Chartered Accountants
London

Deloitte & Touche

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

ACTIVITIES

The company did not trade in the year, having transferred its trade and assets to a fellow subsidiary undertaking.

RESULTS AND FUTURE PROSPECTS

The results for the year are shown in the profit and loss account on page 5. The position of the company at the year end is set out on page 6 of the financial statements. On 1 January 2002, the trade and assets of the company were transferred to Graygrange Limited. It is not expected that the company will trade in the near future.

DIVIDENDS

An interim dividend of £1,542,762 (2001 – £nil) was paid during the year and the directors do not recommend the payment of a final dividend (2001 – £nil).

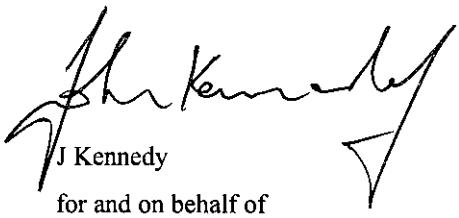
DIRECTORS

The present directors are shown on page 1. All directors served throughout the year. No director had, according to the register of directors' interests kept by the company under section 325 of the Companies Act 1985, an interest in any shares or debentures of the company or any other body corporate in the same group as the company.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



J Kennedy
for and on behalf of
Hanover Management Services Limited
Secretary

2003

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records 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 are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINTSBROOK DEVELOPMENTS LIMITED

We have audited the financial statements of Lintsbrook Developments Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of 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 the company's affairs as at 31 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants and Registered Auditors
London

30 May 2003

Deloitte & Touche

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2002

	Note	2002 £	2001 £
TURNOVER	2	-	18,877
Cost of sales		-	(39,902)
Direct property expenses		-	579
GROSS LOSS		-	(20,446)
Administrative expenses		-	(2,040)
OPERATING LOSS	4	-	(22,486)
Interest receivable and similar income	5	-	92,578
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	70,092
Tax on profit on ordinary activities	6	-	(21,027)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR		-	49,065
Dividends	7	(1,542,762)	-
RETAINED (LOSS)/PROFIT FOR THE YEAR TRANSFERRED (FROM)/TO RESERVES		(1,542,762)	49,065
Profit and loss account brought forward		1,542,762	1,493,697
Profit and loss account carried forward		-	1,542,762

All activities in the current year and preceding year derive from discontinued operations.

There were no recognised gains or losses in the current or preceding years other than as shown above. Accordingly, no statement of total recognised gains and losses has been presented.

There are no movements in shareholders' funds in the current or preceding year other than as shown above. Accordingly, no reconciliation of movement in shareholders' funds has been presented.

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BALANCE SHEET
31 December 2002

	Note	2002 £	2001 £
CURRENT ASSETS			
Stocks	8	-	48,694
Debtors: amounts falling due within one year	9	-	2,122
Debtors: amounts falling due after more than one year	9	100	1,495,027
		100	1,545,843
CREDITORS: amounts falling due within one year	10	-	(2,981)
NET CURRENT ASSETS		100	1,542,862
TOTAL ASSETS LESS CURRENT LIABILITIES		100	1,542,862
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account		-	1,542,762
TOTAL EQUITY SHAREHOLDERS' FUNDS		100	1,542,862

These financial statements were approved by the Board of Directors on 22 May 2003.

Signed on behalf of the Board of Directors

T Moross
Director

A J Leibowitz
Director

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover excludes value added tax (where applicable) and represents sales of trading properties and rents receivable.

Stocks

Stocks of trading properties are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. TURNOVER

The turnover and profit on ordinary activities before taxation (all UK) are attributable to the principal activity of the company.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors received any emoluments for their services to the company during the year (2001– £nil).

The average number of persons employed by the company in trading and administration was nil (2001– one).

	2002 £	2001 £
Staff costs incurred during the year were		
Wages and salaries	-	947
Social security costs	-	92
Other pension costs	-	61
	-	1,100

4. OPERATING LOSS

	2002 £	2001 £
Operating loss is stated after charging:		
Auditors' remuneration – audit	-	881

The audit fee for the current year has been borne by another group company.

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £	2001 £
Interest on loans to group undertakings	-	92,578

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
UK corporation tax at 30% (2001 – 30%)	-	21,027

7. DIVIDENDS

	2002 £	2001 £
Interim dividend of £15,428 per share (2001 – £nil)	1,542,762	-

8. STOCKS

	2002 £	2001 £
Trading properties	-	48,694

9. DEBTORS

	2002 £	2001 £
Amounts falling due within one year		
Trade debtors	-	1,784
Other debtors	-	338
	-	2,122
Amounts falling due after more than one year		
Amounts owed by immediate parent undertaking	100	1,495,027

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade creditors	-	2,981

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

11. CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

12. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent company and controlling party is Quadriga Holdings SA, which is registered in Luxembourg.

The company is a subsidiary of Dorrington Investment PLC and its intermediate parent undertakings, Dorrington Holdings PLC and Hanover Acceptances Limited, all companies being incorporated in Great Britain and registered in England and Wales. Hanover Acceptances Limited is the largest group for which consolidated financial statements are prepared and Dorrington Investment PLC is the smallest group for which consolidated financial statements are prepared.

Copies of the financial statements of Dorrington Investment PLC and of Hanover Acceptances Limited are available from the Company Secretary, 16 Hans Road, London SW3 1RS.

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from the disclosure of related party transactions with entities that are part of the group in accordance with Paragraph 3(c) of Financial Reporting Standard No. 8.

14. CASH FLOW STATEMENT

The company is a wholly owned subsidiary of Hanover Acceptances Limited and the cash flows of the company are included in the consolidated cash flow statement of Hanover Acceptances Limited. Consequently the company is exempt under financial Reporting Standard No. 1 (Revised) from the requirement to prepare a cash flow statement.