

**Brookfield Cricklewood (UK) Limited**  
(formerly Multiplex Cricklewood (UK) Limited)

**Directors' report and financial  
statements**

Registered number 05116317  
18 month period ended 31 December 2008



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## **Directors' report**

The Directors present their report and the audited financial statements for the 18 month period ended 31 December 2008. This Directors' report has been prepared in accordance with the special provisions relating to small companies under s246 (4) of the Companies Act 1985.

### **Principal activities**

The company carries on business principally as a holding and development company.

### **Change of name and accounting reference date**

The name of the company was changed from Multiplex Cricklewood (UK) Limited to Brookfield Cricklewood (UK) Limited, on 17 March 2008.

The company's accounting reference date has been changed from 30 June to 31 December.

### **Results and dividends**

The results for the period ended 31 December 2008 are set out on page 6.

### **Group restructure**

Following Brookfield Asset Management Inc's (BAM Inc) purchase of the Multiplex Group in October 2007, Brookfield Europe Limited Partnership was established as the European parent company to meet Brookfield's desire to consolidate its European operations and provide a platform for future growth.

The European Group was formed as a result of a restructuring of subsidiaries and joint venture interests previously held by the Multiplex Group and other subsidiaries of Brookfield Asset Management Inc.

Brookfield Cricklewood (UK) Limited (formerly Multiplex Cricklewood (UK) Limited) was a party to the restructuring and now forms part of the European Group, having been purchased from Brookfield Multiplex Limited at market value on 8 December 2008.

### **Going concern**

After making enquiries and the financial support provided by Brookfield Europe LP, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1.

### Directors and directors' interests

The Directors, who served throughout the period, and subsequently, except as noted, were as follows:

A MacDonald (resigned 30 April 2008)  
A Muldoon (appointed 29 August 2008)  
D Collins (appointed 14 November 2007)  
J Tuckey (appointed 30 April 2008)  
S Parsons (resigned 29 August 2008)  
J McGivern (resigned 15 February 2008)  
R McDiven (resigned 14 November 2007)  
K Pedersen (resigned 14 November 2007)

### Political and charitable donations

The company made no political contributions during the period (Year ended 30 June 2007: £nil).

The company made no charitable donations during the period (Year ended 30 June 2007: £nil).

### Auditors

Following the acquisition of the Multiplex Group by Brookfield Bid Co (Australia) Pty Ltd, a wholly owned subsidiary of Brookfield Asset Management Inc. on 1 January 2008, the Company has changed its auditors. KPMG LLP resigned as auditors on 9 January 2009 and Deloitte LLP were appointed as auditors of the company on 3 July 2009.

### Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234 ZA of the Companies Act 1985.

Approved by the board and signed on its behalf by:

**D Collins**  
Director



23 Hanover Square  
London  
W1S 1JB  
30 October 2009

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report to the members of Brookfield Cricklewood (UK) Limited (formerly Multiplex Cricklewood (UK) Limited)**

We have audited the financial statements of Brookfield Cricklewood (UK) Limited for the 18 month period ended 31 December 2008 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 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.

**Independent auditors' report to the members of Brookfield Cricklewood (UK) Limited** *(continued)*

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the 18 month period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Deloitte LLP*

**Deloitte LLP**  
Chartered Accountants and Registered Auditors  
London, United Kingdom

*30/07/09*

## Profit and loss account for the period ended 31 December 2008

	<i>Note</i>	<b>For the 18 month period ended 31 Dec 2008 £</b>	<b>For the year ended 30 Jun 2007 £</b>
Turnover	2	-	-
Cost of sales		-	-
		<hr/>	<hr/>
		-	-
Impairment of assets		(750,000)	-
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Operating loss</b>	3	<b>(750,000)</b>	-
Interest receivable	5	1,251,993	730,091
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>501,993</b>	730,091
Tax on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<b>501,993</b>	730,091
		<hr/>	<hr/>

All activities are derived from continuing operations.

There were no recognised gains or losses other than the profit for either period.



**Balance sheet**  
*at 31 December 2008*

	<i>Note</i>	<b>31 Dec 2008</b> £	<b>30 Jun 2007</b> £
<b>Fixed assets</b>			
Investments	7	500	500
<b>Current assets</b>			
Cash at bank		12,500	-
Stock	8	4,785,390	4,648,576
Debtors: falling due within one year	9	13,065,262	11,795,808
		<u>17,863,152</u>	<u>16,444,384</u>
<b>Creditors: amounts falling due within one year</b>	10	<b>(13,064,778)</b>	<b>(12,148,003)</b>
<b>Net current assets</b>		<u>4,798,374</u>	<u>4,296,381</u>
<b>Total assets less current liabilities</b>		<u>4,798,874</u>	<u>4,296,881</u>
<b>Net assets</b>		<u>4,798,874</u>	<u>4,296,881</u>
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account	12	4,798,872	4,296,879
<b>Shareholders' funds</b>		<u>4,798,874</u>	<u>4,296,881</u>

These financial statements were approved by the board of directors on 30 October 2009 and were signed on its behalf by:



**D Collins**  
*Director*

**Reconciliation of movements in shareholders' funds**  
*for the period ended 31 December 2008*

	<b>For the 18 month period ended 31 Dec 2008 £</b>	<b>For the year ended 30 Jun 2007 £</b>
Opening shareholders' funds	<b>4,296,881</b>	3,566,790
Profit for the financial period	<b>501,993</b>	730,091
<b>Closing shareholders' funds</b>	<b>4,798,874</b>	<b>4,296,881</b>

## **Notes (forming part of the financial statements)**

### **1 Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

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

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent undertaking includes the company in its own published consolidated financial statements.

#### ***Going concern***

The Company is dependent for its working capital on funds provided to it by Brookfield Europe LP. Brookfield Europe LP will continue to make available such funds as are needed by the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements, they have no reason to believe it will not do so.

Therefore, after making enquiries and considering the uncertainties derived from the current economic climate, along with the undertaking from Brookfield Europe LP, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the annual report and accounts.

#### ***Turnover***

Revenues are recognised at the fair value of consideration received for the sale of goods and services exclusive of sales related taxes and commissions. Sales of trading properties are recognised on unconditional exchange of contracts by the balance sheet date.

#### ***Trading properties***

Trading properties are held at the lower of cost and net realisable value and includes expenditure directly incurred in acquiring the stock. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to completion and estimated costs necessary to make the sale.

#### ***Fixed asset investments***

Fixed asset investments are recorded at cost less provisions for impairment.

#### ***Taxation***

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## Notes (continued)

### *Taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 2 Turnover

	For the 18 month period ending 31 Dec 2008	For the year ended 30 Jun 2007
	£	£
Turnover	-	-

### 3 Operating loss

Amounts receivable by the auditors in respect of their audit of these financial statements were £5,372 (2007: £5,000). These amounts were borne by a fellow group company.

### 4 Directors' remuneration and staff numbers

None of the directors received remuneration for their services as directors to this company in either period. The company did not have any employees in either period.

### 5 Other interest receivable

	For the 18 month period ending 31 Dec 2008	For the year ended 30 Jun 2007
	£	£
Interest on parent company loan	1,251,993	730,091

## Notes (continued)

### 6 Tax on profit on ordinary activities

#### (a) Analysis of charge in year

	2008 £	2007 £
<i>Current tax:</i>		
UK corporation tax charge on profit for the period at 28% (2007: 30%)	-	-
	<hr/>	<hr/>
Total current tax (note 6 (b))	-	-
	<hr/>	<hr/>

#### (b) Factors affecting the tax credit for the current period

The tax assessed differs from the application of the standard rate of corporation tax in the UK 28% (2007: 30%) to the company's accounting profit before taxation for the following reasons:

	2008 £	2007 £
Profit on ordinary activities before tax	501,993	730,091
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK (28%)	140,558	219,027
	<hr/>	<hr/>
<i>Effects of:</i>		
Group relief	(140,558)	(219,027)
	<hr/>	<hr/>
Total current tax charge (note 6 (a))	-	-
	<hr/>	<hr/>

The corporation tax charge for the period has been reduced by £140,558 (2007: £219,027) because of losses surrendered by another group company. No payment for this surrender is to be made by the company.

The company has no provided or unprovided deferred tax.

### 7 Fixed asset investments

<i>Cost</i>	£
At 1 July 2007 and 31 December 2008	500
	<hr/>

The company has a 50% shareholding in Cricklewood Regeneration Limited, as part of a Joint Venture. Cricklewood Regeneration Limited carries on business as a development company.

## Notes (continued)

### 8 Stock

	2008	2007
	£	£
Trading properties	4,785,390	4,648,576

Comprises of land held for development and associated costs.

### 9 Debtors: falling due within one year

	2008	2007
	£	£
Sundry debtors	17,461	-
Amounts owed by group undertakings	13,047,801	11,795,808
	<u>13,065,262</u>	<u>11,795,808</u>

### 10 Creditors: amounts falling due within one year

	2008	2007
	£	£
Accruals and deferred income	(548,793)	-
Amounts owed to group undertakings	(12,515,985)	(12,148,003)
	<u>(13,064,778)</u>	<u>(12,148,003)</u>

### 11 Called up share capital

	2008	2007
	£	£
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
<i>Allotted, called up and unpaid:</i>		
Ordinary shares of £1 each	2	2

### 12 Profit and loss account

	2008	2007
	£	£
At beginning of period	4,296,879	3,566,788
Profit for the period	501,993	730,091
	<u>4,798,872</u>	<u>4,296,879</u>

## Notes (continued)

### 13 Related party disclosures

Advantage has been taken of the exemption in FRS 8 not to disclose transactions between entities, 90% or more of whose voting rights are controlled within the group.

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

The immediate parent company is Brookfield Cricklewood Investments (UK) Limited (formerly Multiplex Cricklewood Investments (UK) Limited). The ultimate parent company and controlling party is Brookfield Asset Management Inc., a company incorporated in Canada.

The largest group in which the results of the company are consolidated is that headed by Brookfield Asset Management Inc. The smallest group in which they are consolidated is that headed by Brookfield Europe Limited Partnership, registered in the United Kingdom under the Partnership Act 1907. The consolidated financial statements of Brookfield Asset Management Inc are available to the public and may be obtained from Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.