

**CREDIT  
SUISSE**

**FIRST  
BOSTON**

FC 021566

**LG/SL LAND LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002**



A19  
COMPANIES HOUSE

\*AUBUSSE\*

0528  
24/12/03

LG/SL LAND LIMITED

**CREDIT  
SUISSE** | FIRST  
BOSTON

FC 021566

BOARD OF DIRECTORS

Marc J. Adam

Director

Nigel P. Bretton

Director

Registered Number: 62874

**LG/SL LAND LIMITED****DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002**

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

**Activities**

The Company was established for the purpose of property investment. As of 10 October 2001 the Company had sold all of its remaining properties.

**Directors**

The names of the directors as at the date of this report are set out on page two. Changes in the directorate since 31 December 2001, and up to the date of this report are as follows:

Appointments	- Marc J. Adam	18 June 2002
	- Nigel P. Bretton	18 June 2002
Resignations	- Timothy J. Binnington	18 June 2002
	- Robert R. W. Falls	18 June 2002
	- Graeme P. Newman	18 June 2002
	- Jeffrey F. Nash	18 June 2002

None of the directors was beneficially interested, at any time during the year, in the shares of the Company; however a number of directors received entitlements to Credit Suisse Group shares under long-term incentive schemes.

**Results**

The loss for the year was £10,473 (6 months to 31 December 2001: profit of £556,118).

No dividends were paid or are proposed for 2002 (6 months to 31 December 2001: £Nil).

**Auditors**

The Company has passed a resolution pursuant to S104(5)(a) of the Companies Ordinance electing to dispense with obligation to appoint auditors annually. Ernst & Young have expressed their willingness to continue in office for the forthcoming year.

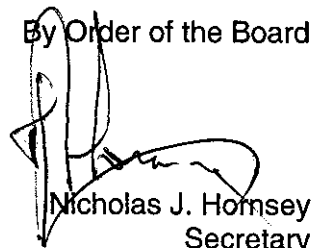
**Share Capital**

During the year no additional share capital was issued (2001: £Nil).

One Cabot Square  
London E14 4QJ

26 November 2003

By Order of the Board

  
Nicholas J. Hornsey  
Secretary

**LG/SL LAND LIMITED****STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LG/SL LAND LIMITED**

We have audited the Company's financial statements for the year ended 31 December 2002 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, and the related notes 1 to 11. These financial statements 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.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LG/SL LAND LIMITED

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31 December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
London

26 November 2003

## PROFIT AND LOSS FOR THE YEAR ENDED 31 DECEMBER 2002

		Year ended 31 December 2002	For the 6 month period ended 31 December 2001
	Note	£	£
Rental Income		-	61,695
Inter company management fee		-	(962,586)
Administration fees		(35,671)	-
<b>Total operating loss</b>		<b>(35,671)</b>	<b>(900,891)</b>
<b>Loss on ordinary activities before interest and taxation</b>		<b>(35,671)</b>	<b>(900,891)</b>
Loss on disposal of investment property		-	(192,009)
Write back of inter company loan		-	1,780,447
Write down of investment		(3,020)	(18,621)
Interest receivable and similar income		28,218	-
Interest payable and similar charges		-	(112,808)
<b>(Loss)/Profit on ordinary activities before taxation</b>	2	<b>(10,473)</b>	<b>556,118</b>
Tax charge on (loss)/profit on ordinary activities	3	-	-
<b>(Loss)/Profit on ordinary activities after taxation</b>		<b>(10,473)</b>	<b>556,118</b>
<b>(Loss)/Profit retained for the year</b>		<b>(10,473)</b>	<b>556,118</b>

The Profit and Loss Account has been prepared in accordance with the Accounting Policies in Note 1 to the financial statements.

#### Statement of Total Recognised Gains and Losses

There are no recognised gains and losses other than the profit and loss account above.

## PROFIT AND LOSS FOR THE YEAR ENDED 31 DECEMBER 2002

## Note of Historical Costs Profit and Losses

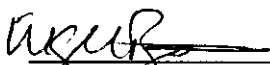
	Note	Year ended 31 December 2002 £	For the 6 month period ended 31 December 2001 £
(Loss)/Profit on ordinary activities before taxation		(10,473)	556,118
Realisation of property revaluation gains of prior periods		-	176,001
Historical cost (loss)/profit on ordinary activities before taxation		(10,473)	732,119
Tax charge on ordinary activities	3	-	-
Historical cost (loss)/profit for the financial year/period		(10,473)	732,119



LG/SL LAND LIMITED  
BALANCE SHEET AS AT 31 DECEMBER 2002

	Note	2002 £	2001 £
Fixed assets			
Other investments	4	-	181,379
<b>Total fixed assets</b>		-	181,379
Current assets			
Debtors	5	143,687	1,000
<b>Total current assets</b>		143,687	1,000
Creditors: amounts falling due within one year	6	(239,021)	(267,240)
<b>Net current liabilities</b>		(95,334)	(266,240)
<b>Total assets less current liabilities</b>		(95,334)	(84,861)
<b>Net liabilities</b>		(95,334)	(84,861)
Capital and reserves			
Called up share capital	7	1,000	1,000
Profit and loss account		(96,334)	(85,861)
<b>Total shareholders' funds</b>	8	(95,334)	(84,861)

Approved by the Board of Directors on 26 November 2003 and signed on its behalf by

  
Nigel P. Bretton  
Director

The notes on pages 10 to 13 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2002****1. Accounting Policies**

The financial statements have been prepared in accordance with the Companies Act 1985, applicable accounting standards and under the historical cost accounting rules.

**Basis of preparation and change in accounting policy**

In preparing the financial statements for the current year, the Company has adopted FRS 19 'Deferred Tax' relating to accounting periods ending on or after 22 June 2002. The adoption of FRS 19 has resulted in a change in accounting policy for deferred tax. Deferred tax is recognised on a full provision basis in accordance with the accounting policy described below. Previously, deferred tax was provided for on a partial provision basis, whereby provision was made on all timing differences to the extent that they were expected to reverse in the future without replacement.

Adoption of FRS 19 has not required any revisions to the financial statements in either the current or prior years.

The following accounting policies have been consistently applied:

- (a) The Company has elected not to prepare a Cash Flow Statement in accordance with the exemption granted under FRS 1 (revised 1996), to wholly owned subsidiaries whose financial statements are included in consolidated financial statements which are publicly available.
- (b) As 100% of the Company's voting rights are controlled within the subsidiary group headed by Credit Suisse First Boston (International) Holding A.G., the Company has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the Group (or investors in the Group which qualify as related parties). The consolidated financial statements of Credit Suisse First Boston (International) Holding A.G., within which this Company is included, can be obtained from Credit Suisse Group, Paradeplatz, P.O. Box 1, 8070 Zurich.
- (c) 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:
  - provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
  - deferred tax assets are recognised only to the extent that the directors consider 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2002**1. Accounting Policies – continued**

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2. Operating Loss on Ordinary Activities before Taxation**

Auditors' remuneration has not been charged in the financial statements but has been borne by another group company in both financial years.

**3. Tax on (Loss)/Profit on Ordinary Activities****a. Analysis of charge for the period**

No current tax or deferred tax charge arises in respect of the loss for the year, or in respect of prior years (6 months to 31 December 2001: £Nil).

**b. Factors affecting the tax charge for the period.**

The tax charged for the period is higher/lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	Year ended 31 December 2002 £	For the 6 month period ended 31 December 2001 £
(Loss)/Profit on ordinary activities before tax	(10,473)	556,118
(Loss)/Profit on ordinary activities at the standard rate of corporation tax in the UK of 30%	<u>(3,142)</u>	<u>166,835</u>
Effects of:		
Permanent differences	6,256	(437,103)
Tax loss for which no benefit was realised	65,462	270,268
Other short term timing differences	<u>(68,576)</u>	<u>-</u>
Current tax charge for the period (note 3(a))	<u>-</u>	<u>-</u>

**c. Factors that may affect future tax charges**

The Company's future tax charges are expected to approximate the UK statutory rate of corporate tax.

**d. Provision for deferred tax**

The Company had no provided deferred tax at 31 December 2002 (6 months to 31 December 2001: £Nil)

**LG/SL LAND LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2002**
**4. Investments**

	2002 £	2001 £
Opening Balance	181,379	-
Additions during the period	-	200,000
Write down during the period	(3,020)	(18,621)
Sale of shares	<u>(178,359)</u>	<u>-</u>
	<u>-</u>	<u>181,379</u>

The investment represented shares held in Newport Holdings PLC. In 2001 the market value was the same as the carrying value at the balance sheet date. In February 2002, the shares were sold for £178,359 and the balance of £3,020 was written off.

**5. Debtors**

	2002 £	2001 £
Other debtors	1,000	1,000
Amounts due from fellow group undertakings	<u>142,687</u>	<u>-</u>
	<u>143,687</u>	<u>1,000</u>

**6. Creditors: amounts falling due within one year**

	2002 £	2001 £
Accruals and deferred income	-	267,240
Amounts due to fellow group undertakings	<u>239,021</u>	<u>-</u>
	<u>239,021</u>	<u>267,240</u>

**7. Called Up Share Capital**

	2002 £	2001 £
Authorised: Equity		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid Equity		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

During the year the Company made no share issues (2001: £Nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2002**8. Reconciliation of Movement in Shareholders' Funds and Movements on Reserves**

	Share capital	Revaluation reserve	Profit and loss account	Total shareholders funds
	£	£	£	£
At 30 June 2001	1,000	176,001	(817,980)	(640,979)
Profit for the period	-	-	556,118	556,118
Realisation of property valuation gains on sales	-	(176,001)	176,001	-
At 31 December 2001	1,000	-	(85,861)	(84,861)
Loss for the year	-	-	(10,473)	(10,473)
At 31 December 2002	1,000	-	(96,334)	(95,334)

**9. Employees**

The Company had no employees during the year (6 months to 31 December 2001: Nil).

**10. Directors' Emoluments**

The directors did not receive any remuneration in respect of their services as directors of the Company (6 months to 31 December 2001: £Nil).

**11. Parent and Ultimate Holding Company**

The Company is a wholly owned subsidiary of LG/SL Properties Limited, which itself is 100% owned by LG/SL Property Holdings Limited, which is registered in England and Wales. The ultimate holding company is Credit Suisse Group, which is incorporated in Switzerland.

Copies of group financial statements of LG/SL Property Holdings Limited and of the ultimate holding company, which are those of the smallest and largest groups in which the results of the company are consolidated, are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff and Credit Suisse Group, Paradeplatz, P.O. Box 1, 8070 Zurich, respectively.