Finance (NZ) Limited

Financial Statements

For the year ended 31 December 2010

Companies office registration number:
1527864

Registered office:
Level 2, Office Tower, 277 Broadway, Newmarket, Auckland

Westfield
Finance (NZ) Limited

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Westfield
Finance (NZ) Limited

Company Directory

As at 31 December 2010

Nature of Business

Provide funding for shopping centres.

Registered Office

Level 2
Office Tower, 277 Broadway
Newmarket
AUCKLAND

Directors

P Allen
W J Falconer
P A W G Massam

Auditors

Ernst & Young
AUCKLAND

Solicitors

Russell McVeagh
AUCKLAND

Simpson Grierson
AUCKLAND

Shareholders

Westfield Holdings Limited (100%)

Westfield
Finance (NZ) Limited

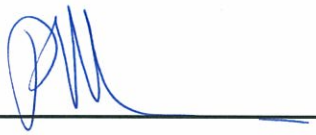
Directors' Review

For the year ended 31 December 2010

The Board of Directors present their Annual Report including financial statements of the company for the year ended 31 December 2010, and the auditor's report thereon.

The shareholders of the company have exercised their right under section 211(3) of the Companies Act 1993 and unanimously agreed that this Annual Report need not comply with any of paragraphs (a) and (e) to (j) of section 211(1) of the Act.

For and on behalf of the Board:



P Allen

17 MAY 2011

Date

P Massam

17 MAY 2011

Date

ERNST & YOUNG

Chartered Accountants

Independent Auditor's Report

To the Shareholders of Westfield Finance (NZ) Limited

Report on the Financial Statements

We have audited the financial statements of Westfield Finance (NZ) Limited on pages 3 to 9, which comprise the statement of financial position of Westfield Finance (NZ) Limited as at 31 December 2010, and the statement of comprehensive income and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body, in accordance with section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These auditing standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected, depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered the internal control relevant to the company's preparation of the financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interest in Westfield Finance (NZ) Limited.

Partners and employees of our firm may deal with the company on normal terms within the ordinary course of trading activities of the business of the company.

Opinion

In our opinion, the financial statements on pages 3 to 9:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the financial position of Westfield Finance (NZ) Limited as at 31 December 2010 and its financial performance for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the Financial Reporting Act 1993, we report that:

- We have obtained all the information and explanations that we have required.
- In our opinion proper accounting records have been kept by Westfield Finance (NZ) Limited as far as appears from our examination of those records.

Ernst & Young

17 May 2011
Auckland

Westfield
Finance (NZ) Limited

Statement of Comprehensive Income

For the year ended 31 December 2010

	Note	31-Dec-10	31-Dec-09
Revenue and other income			
Intercompany management income		-	205
Total revenue and other income		-	205
Expenses			
Operating expenses		-	(205)
Total expenses		-	(205)
Profit before income tax		-	-
Income tax benefit	3	-	-
Profit after tax		$-	$-
Total comprehensive income		$-	$-
Profit for the period is attributable to:			
Owners of the parent		$-	$-
Total comprehensive income/(expense) for the period is attributable to:			
Owners of the parent		$-	$-

The accompanying notes form part of these financial statements.

Westfield
Finance (NZ) Limited

Statement of Financial Position

As at 31 December 2010

	Note	31-Dec-10	31-Dec-09
ASSETS			
Current Assets			
Total Current Assets		-	-
TOTAL ASSETS		$-	$-
LIABILITIES			
Current Liabilities			
Total Current Liabilities		-	-
TOTAL LIABILITIES		$-	$-
NET ASSETS		$-	$-
EQUITY			
Issued capital		-	-
Retained surplus/(deficit)		-	-
TOTAL EQUITY		$-	$-

The accompanying notes form part of these financial statements.

Westfield
Finance (NZ) Limited

Statement of Changes in Equity

For the year ended 31 December 2010

	Issued Capital	Retained Earnings	Total Equity
As at 1 January 2009	-	-	-
Profit for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
As at 31 December 2009	-	-	-
Profit for the period	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
As at 31 December 2010	$-	$-	$-

Ordinary shares
100 issued and unpaid (2009: 100)

Shares do not have a par value.
All shares have equal voting rights and share equally in dividends and surplus on winding up.

The accompanying notes form part of these financial statements.

Westfield
Finance (NZ) Limited

Notes to the Financial Statements

For the year ended 31 December 2010

1 Corporate information

The financial statements of Westfield Finance (NZ) Limited for the year ended 31 December 2010 were authorised for issue in accordance with a resolution of the directors dated as per the date on the directors review.

Westfield Finance (NZ) Limited is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993 and a reporting entity for purposes of the Financial Reporting Act 1993. The financial statements of Westfield Finance (NZ) Limited have been prepared in accordance with the Financial Reporting Act 1993.

Westfield Finance (NZ) Limited is involved in providing funding for shopping centres.

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Companies Act 1993 and the Financial Reporting Act 1993. The financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZD) and rounded to the nearest dollar.

Statement of compliance

The financial statements comply with New Zealand equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities that qualify for and apply differential reporting concessions. The Company is a profit-oriented entity for the purposes of complying with NZ GAAP.

Trade and other receivables

Trade receivables are recognised at fair value and subsequently measured at amortised cost less an allowance for impairment, and are usually due within 30 days. Collectability of trade and other receivables is reviewed on an ongoing basis.

An impairment provision is made when there is evidence that the Company will not be able to collect the receivable. Bad debts are written off when identified.

Trade and other payables

Payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the Financial Statements

For the year ended 31 December 2010

Revenue

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from intercompany management is recognised on an accruals basis, in accordance with the terms of the relevant management contracts.

Expenses

All expenses are recognised on an accruals basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash at the bank.

Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax is provided on all temporary differences at balance sheet date on the differences between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Differential reporting

The company and group qualifies for differential reporting as they are not publicly accountable and there is no separation between the owners and the governing body. The Company have taken advantage of all available differential reporting exemptions, except for:

(i) the exemption available in NZ IAS 12 *Income Taxes* that permits qualifying entities to recognise taxation using the taxes payable method.

(ii) the exemption available in NZ IAS 18 *Revenue* that permits qualifying entities to recognise revenue and expenses on a GST inclusive basis.

Notes to the Financial Statements

For the year ended 31 December 2010

Capital management

When managing capital, management's objective is to ensure the company continues as a going concern as well as to maintain optimal returns to shareholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the company. The company is not subject to any externally imposed capital requirements.

Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, a number of standards and interpretations were in issue but not yet effective. These include;

NZ IFRS 7 *Financial Instruments: Disclosures;*
NZ IFRS 9 *Financial Instruments; and*
NZ IAS 24 *Related Party Disclosures.*

There is not expected to be any material impact on Westfield Finance (NZ) Limited on initial application of any of the above standards.

3 Taxation

There are no unrecognised temporary differences, unused tax losses and unused tax credits. (2009: Nil)

4 Related Party Transactions

Westfield Holdings Limited is the ultimate parent entity. Westfield Holdings Limited is incorporated in Australia.

The following table shows the transactions entered into with related parties.

Income	**Property management fees income**
Westfield Properties (NZ) Limited	
2010	-
2009	205

Ultimate parent
The Company has entered into a Master Guarantee Deed with other subsidaries of Westfield Holdings Limited (a related entity) covering the Westfield Group's banking facility.

There were no other transactions with the ultimate parent entity, Westfield Holdings Limited. (2009: Nil)

5 Capital commitments

The company have no capital commitments. (2009: Nil)

Notes to the Financial Statements

For the year ended 31 December 2010

6 Contingent liabilities/assets

The Company has entered into a Master Guarantee Deed with other subsidiaries of Westfield Holdings Limited (a related entity) covering the Westfield group's banking facilities.

There were no other contingent liabilities/assets at balance date (2009: Nil)