

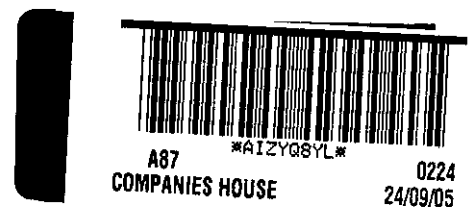
Boughton Holdings

(formerly Alstom T&D Trading)

Report and Financial Statements

30 November 2004

Registered Number 4112012



Directors' Report

The directors present their report and financial statements for the period ended 30 November 2004. Comparative figures are for the year ended 21 March 2004. On 31 March 2004 the company re-registered as an unlimited company.

Change of Name

On 20 August 2004 the company changed its name from Alstom T&D Trading.

Results and Dividends

The retained loss of £11,482,000 (comparative 2004: £2,627,000) has been transferred from reserves. On 31 March 2004 the shareholder agreed to a cancellation of the Share Premium Account effected by way of a repayment of £88,040,000 and the balance of £18,559,000 being credited to the profit and loss reserve.

Principal Activity

The principal activity to the Company is that of making investments.

Review of the Business

The directors consider that the result and future prospects are satisfactory. No changes are envisaged.

Directors and their Interests

The following were directors of the company during the year, none of whom had any interest in the shares of the company.

S J Gardner (resigned 29 March 2004)

I D Kellitt (resigned 29 March 2004)

A D Cledwyn-Davies (resigned 2 September 2004)

D Thomas (resigned 2 September 2004)

J M Blenkinsop (resigned 2 September 2004)

T P Haywood (appointed 2 September 2004)

W A Oliver (appointed 2 September 2004)

The relevant interests of Messrs Haywood and Oliver in the shares of the ultimate parent company are disclosed in the directors' report of that company.

Boughton Holdings (formerly Alstom T&D Trading)

Auditors

During the year Deloitte LLP resigned as auditors and Ernst & Young LLP were appointed. Ernst & Young LLP have expressed a willingness to remain in office and a resolution to reappoint Ernst & Young LLP will be put forward at the Annual General Meeting.

By order of the board



S K Preedy
Secretary

Date 7/9/05

Statement of Directors' Responsibilities in Relation to the Financial Statements

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 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 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 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 Boughton Holdings

We have audited the company's financial statements for the period ended 30 November 2004 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Reconciliation of Movement in Shareholders' funds, Accounting Policies and the related notes 1 to 9. 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 November 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Birmingham

Ernst & Young LLP

Date

13 September 2005

Profit and Loss Account

For the period ended 30 November 2004/year ended 21 March 2004

	Notes	2004 £'000	2004 £'000
Net interest payable	1	(10,356)	(3,753)
Profit on ordinary activities before taxation		(10,356)	(3,753)
Taxation on profit on ordinary activities	3	(1,126)	1,126
Loss on ordinary activities after taxation		(11,482)	(2,627)
Transferred from reserves		(11,482)	(2,627)

All activities derive from continuing operations.

A statement of the movement in reserves is shown in note 9.

Boughton Holdings (formerly Alstom T&D Trading)

Balance Sheet

At 30 November 2004/21 March 2004

	Notes	30 November 2004 £'000	21 March 2004 £'000
Fixed assets			
Investments	4	166,500	-
		<u>166,500</u>	<u>-</u>
Current assets			
Debtors - receivable after more than one year	5	72,731	83,311
Debtors - receivable within one year	5	15,220	270,597
Cash at bank and in hand		-	65
		<u>87,951</u>	<u>353,973</u>
Total assets less current liabilities		254,451	353,973
Creditors: amounts falling due after more than one year	6	(250,000)	(250,000)
Net assets		<u>4,451</u>	<u>103,973</u>
Capital and reserves			
Called up share capital	7	1	1
Share premium account	8	-	106,599
Profit and loss account	8	4,450	(2,627)
Equity shareholders' funds		<u>4,451</u>	<u>103,973</u>

The Report and Accounts were approved by the Board of Directors on

7/9/05

Signed on behalf of the Board of Directors by



T P Haywood

Director

Supplementary Statements

For the period ended 30 November 2004/year ended 21 March 2004

	2004 £'000	2004 £'000
Statement of Total Recognised Gains and Losses		
Loss for the year	(11,482)	(2,627)
Transfer from share premium account	106,599	-
Total recognised gains and losses for the year	<u>95,157</u>	<u>(2,627)</u>

	2004 £'000	2004 £'000
Reconciliation of Movements in Shareholders' Funds		
Loss attributable to shareholders	(11,482)	(2,627)
Repayment of Share Premium Account	(88,040)	-
Net reduction in shareholders' funds	<u>(99,522)</u>	<u>(2,627)</u>
Opening shareholders' funds	103,973	106,600
Closing shareholders' funds	<u>4,451</u>	<u>103,973</u>

Accounting Policies

The accounts and notes have been prepared in accordance with applicable accounting standards.

Accounting Convention

The accounts have been prepared under the historical cost convention, modified by the revaluation of investment properties.

Investment in Subsidiary and Associated Companies

The investments in subsidiary and associated companies are included in the company's balance sheet at cost.

Acquisitions

On the acquisition of a business, including an interest in an associated undertaking, fair values are attributed to the group's share of the separable net assets.

Deferred Taxation

In accordance with FRS19, deferred taxation is provided at the rate ruling at the balance sheet date on timing differences which arise from the recognition of income and expenditure in differing periods for taxation and accounting purposes.

Interest

Interest incurred on properties in the course of development, whether for sale or retention as investments, is charged to the profit and loss account.

1. Net interest payable

	2004 £'000	2004 £'000
Amortisation of Financial Option Premium	10,579	8,006
Interest receivable	(223)	(4,253)
Net interest	<u>10,356</u>	<u>3,753</u>

2. Profit on ordinary activities before taxation

The company had no employees and the directors received no remuneration for their services. The company's audit fee was borne by the ultimate parent company.

3. Taxation on Profit on ordinary activities

	2004 £'000	2004 £'000
(a) Analysis of tax credit in period		
Current tax		
Group Relief Receivable	(1,126)	1,126
Total current tax (note (b))	<u>(1,126)</u>	<u>1,126</u>

	2004 £'000	2004 £'000
(b) Factors affecting tax charge for period		
Loss on ordinary activities before tax	<u>10,356</u>	<u>3,753</u>
Loss on ordinary activities at the standard rate of UK Corporation Tax	3,107	1,126
Other (see note (c) below)	(4,233)	-
	<u>(1,126)</u>	<u>1,126</u>

(c) Factors that may affect future tax charges

Having taken appropriate advice, the directors expect the company to continue to generate tax losses for the foreseeable future. However it is understood from the previous owners that HM Revenue & Customs have enquired into the tax affairs of the company for period(s) pre-dating the current ownership. The directors have therefore taken the prudent view not to recognise any tax losses until these are agreed with HM Revenue & Customs.

4. Investment held as Fixed Assets

	Investment in subsidiary companies £'000
At 21 March 2004	-
Investment in year	166,500
At 30 November 2004	<u>166,500</u>

During the year the company acquired the entire share capital of Boughton Enterprises Limited a company registered and operated in England & Wales, whose principal activity is that of a group finance company.

5. Debtors

	2004 £'000	2004 £'000
<i>Amounts falling due within one year</i>		
Amounts due from fellow subsidiaries	-	254,251
Group relief receivable	-	1,126
Prepayment – Financial Option Premium	15,220	15,220
<i>Amounts falling due after one year</i>		
Prepayment – Financial Option Premium	72,731	83,311
	<u>87,951</u>	<u>353,908</u>

6. Creditors

	2004 £'000	2004 £'000
<i>Amounts falling due after more than one year</i>		
Amounts due to subsidiaries	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

7. Called up share capital

	2004 £	2004 £
Authorised: Equity share capital 1,000,000 Ordinary 1p shares:	<u>10,000</u>	<u>10,000</u>
Allotted and fully paid: Equity share capital 119,200 Ordinary 1p shares:	<u>1,192</u>	<u>1,192</u>

8. Reserves

	Share Premium Account £'000	Profit & Loss Account £'000
At 21 March 2004	106,599	(2,627)
Repayment of Share Premium Account	(88,040)	-
Reduction of Share Premium Account	(18,559)	18,559
Retained loss for the year	-	(11,482)
At 30 November 2004	<u>-</u>	<u>4,450</u>

9. Ultimate Parent Company

The ultimate parent company is St Modwen Properties PLC, a company registered in England. Copies of the Group report and accounts of St Modwen Properties PLC are available from the Registered Office at Lyndon House, 58/62 Hagley Road, Edgbaston, Birmingham B16 8PE.

As the company is wholly owned by the group, it has taken advantage of the exemption under FRS 8 "Related Party Disclosures" not to disclose transactions with other companies in the group.