

COMPANY NO 4205727

Bedford Holdings Limited

(formerly Browallia Limited)
(formerly Browallia plc)

Report And Financial Statements

Year ended 30 April 2006

FRIDAY



L4MPBQTU

LD8

29/06/2007

1274

COMPANIES HOUSE

**Annual report and financial statements
for the year ended 30 April 2006**

| | PAGE |
|---|-------------|
| Directors' report | 1 |
| Statement of directors' responsibilities | 2 |
| Report of the Independent Auditors to the Shareholders of Browallia Limited | 3 |
| Profit and loss account for the year ended 30 April 2006 | 4 |
| Balance sheet as at 30 April 2006 | 5 |
| Notes to the financial statements for the year ended 30 April 2006 | 6 |

Directors' report

Principal activities

The principal activity of the Company continues to be that of a holding company throughout the year

Board of directors

The Directors who held office throughout the year unless otherwise noted are

BJIM Lindstam (resigned 18th August 2006)

SA Lindstedt (appointed 18th August 2006)

None of the Directors in office at 30th April 2006 has an interest in the share capital of the Company, or any other group companies

Results

The loss for the year after tax amounted to £1,476 (2005 loss £6,742,418)

Dividends

The Directors do not recommend the payment of a dividend (2005 £nil)

Going concern

The accounts have been prepared on a going concern basis, as confirmation has been received from the parent undertaking that adequate funding will be provided to allow the Company to meet its future liabilities as they fall due

Statement of disclosure of information to auditors

At the date of making this report the company director, as set out above, confirms the following

- so far as the director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

A resolution to appoint French Duncan LLP as external auditors will be proposed at the forthcoming annual general meeting

By order of the Board



For and on behalf of
D J Pett

Company Secretary

24 April 2007

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 and of the profit or loss 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 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.

Report of the Independent Auditors to the Shareholders of Bedford Holdings Limited (formerly Browallia Limited) (formerly Browallia plc)

We have audited the financial statements on pages 4 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's shareholders, 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 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and 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.

We also report to you if, in our opinion, 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 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 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 30 April 2006 and of its loss for the year then ended and 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.

RSM Robson Rhodes LLP

RSM Robson Rhodes LLP

Chartered Accountants & Registered Auditors
London, England

28 June 2007

Profit and loss account
for the year ended 30 April 2006

| | Notes | Year ended 30 April 2006 £ | Year ended 30 April 2005 £ |
|--|-------|-------------------------------------|-------------------------------------|
| Administrative expenses | | (5,971) | 62,162 |
| Operating (loss)/profit | | (5,971) | 62,162 |
| Loss on sale of investment in subsidiary undertaking | | - | (6,694,148) |
| Loss on ordinary activities before interest and taxation | | (5,971) | (6,631,986) |
| Interest receivable & similar income | | 22,644 | 31,472 |
| Interest payable & similar charges | 2 | (18,149) | (141,904) |
| Loss on ordinary activities before taxation | 3 | (1,476) | (6,742,418) |
| Taxation | 4 | - | - |
| Loss on ordinary activities after taxation | | (1,476) | (6,742,418) |
| Retained loss brought forward | | (8,951,458) | (2,209,040) |
| Retained loss carried forward | | (8,952,934) | (8,951,458) |

The Company has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented

All operations are regarded as continuing

The notes on pages 6 to 9 form part of these financial statements

Balance sheet
as at 30 April 2006

| | Notes | 2006 £ | 2005 £ |
|---|-------|-------------|-------------|
| Fixed assets | | | |
| Investments in subsidiaries | 5 | 8,500,000 | 8,500,000 |
| Current assets | | | |
| Debtors | 6 | 153,564 | 164,650 |
| Cash at bank and in hand | | 325,100 | 517,780 |
| | | 478,664 | 682,430 |
| Creditors: amounts falling due within one year | 7 | (480,482) | (682,772) |
| Net current liabilities | | (1,818) | (342) |
| Total assets less current liabilities | | 8,498,182 | 8,499,658 |
| Capital and reserves | | | |
| Called up share capital | 8 | 17,451,116 | 17,451,116 |
| Profit and loss account | | (8,952,934) | (8,951,458) |
| Total equity and shareholders' funds | 9 | 8,498,182 | 8,499,658 |

The financial statements on pages 4 to 9 were approved by the sole director on 24 April 2007 and were signed on its behalf by


S A Lindstedt
Director

Notes to the financial statements for the year ended 30 April 2006

1 Accounting policies

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

Investments in subsidiaries

Fixed asset investments are stated at cost less any provision for impairment

Taxation

Deferred tax is provided on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses in due course.

Consolidated accounts

In accordance with the Companies Act 1985, consolidated financial statements are not required, the Company being a wholly owned subsidiary of another corporate body registered in European Union. Consolidated financial statements are prepared by the ultimate holding company.

Cash flow statement

The Company is a wholly owned subsidiary of Christineborg Holding AB and the cash flows of the Company are included in the consolidated Cash Flow Statement of that company. In accordance with the terms of Financial Reporting Standard 1 (revised) the Company is exempt from preparing a Cash Flow Statement.

Going concern

The accounts have been prepared on a going concern basis, as confirmation has been received from the ultimate parent undertaking, Christineborg Holding AB, that adequate funding will be provided to allow the Company to meet its liabilities as they fall due.

Notes to the financial statements for the year ended 30 April 2006 (continued)

2. Interest payable and similar charges

| | Year ended 30 April 2006 | Year ended 30 April 2005 |
|----------------------|--------------------------------|--------------------------------|
| | £ | £ |
| To loan note holders | 18,149 | 19,867 |
| To bank | - | 41,037 |
| To group companies | - | 81,000 |
| | 18,149 | 141,904 |

3. Loss on ordinary activities before taxation

| | Year ended 30 April 2006 | Year ended 30 April 2005 |
|--|--------------------------------|--------------------------------|
| | £ | £ |
| Loss on ordinary activities before taxation is stated after charging | | |
| Auditors' remuneration for audit services | 2,000 | 2,000 |

None of the Directors received any remuneration during the period in respect of their services to the Company

4. Taxation

| | Year ended 30 April 2006 | Year ended 30 April 2005 |
|---|--------------------------------|--------------------------------|
| | £ | £ |
| Analysis of credit for the period | | |
| Group relief receivable at 30% | - | - |
| Factors affecting the tax credit for the period | | |
| Loss on ordinary activities before tax | (1,476) | (6,742,418) |
| Tax on loss on ordinary activities at standard tax rate of 30% (2005 30%) | (443) | (2,022,725) |
| Effects of | | |
| Expenses not deductible for tax purposes | 30 | 1,986,751 |
| Other short term timing differences | - | 24,300 |
| Unrelieved tax losses and other deductions arising in the period | 413 | 11,674 |
| | - | - |

Factors that may affect future tax charges

Due to the level of tax losses available, amounting at 30 April 2006 to £1,379,620 (2005 £1,378,244) future tax charges will be reduced significantly below the standard UK tax rate. A deferred tax asset has not been established in these financial statements in respect of the tax losses carried forward in view of the uncertainty over the period when those losses might be utilised.

Notes to the financial statements for the year ended 30 April 2006 (continued)

5. Investment in subsidiary

| | Total |
|---------------------------------|-----------|
| | £ |
| Cost and net book value | |
| At 1 May 2005 and 30 April 2006 | 8,500,000 |

As at the 30th April 2006 the company's only subsidiary was Yorklyde plc, which is wholly owned and is registered in England and Wales

6 Debtors

| | 30 April 2006 £ | 30 April 2005 £ |
|------------------------------------|-----------------------|-----------------------|
| Amounts owed by group undertakings | 153,564 | 164,650 |
| | 153,564 | 164,650 |

7. Creditors amounts falling due within one year

| | 30 April 2006 £ | 30 April 2005 £ |
|------------------------------|-----------------------|-----------------------|
| Taxation and social security | 15,441 | 15,902 |
| Accruals and deferred income | 11,100 | 12,566 |
| Other creditors | 144,397 | 146,366 |
| Redeemable loan notes | 309,544 | 507,938 |
| | 480,482 | 682,772 |

During the year the Company redeemed £198,394 (2005 £26,394) of the redeemable loan notes at par value. The loan notes were issued as part of the acquisition of Union PLC (now Browallia Holdings Ltd), and have a nominal and issued value of £1. The loan notes are redeemable in whole or in part on any interest payment date from 31st October 2002 onwards and unless otherwise redeemed will be fully redeemed at par on 31st October 2007. The loan notes carry interest at a rate equivalent to the average of LIBOR for the last three business days prior to the payment date, less 1%. Interest is payable six-monthly, on 30 April and 31 October each year. The Company maintains an interest-bearing bank account, which holds sufficient funds for the redemption of the loan notes.

Notes to the financial statements for the year ended 30 April 2006 (continued)

8 Share capital

| | 30 April 2006 £ | 30 April 2005 £ |
|--|-----------------------|-----------------------|
| Authorised ordinary shares - 20,000,000 of £1 each | 20,000,000 | 20,000,000 |
| Allotted share capital of £1 each | 17,488,616 | 17,488,616 |
| Allotted and called up ordinary shares of £1 each | | |
| Called up and paid up - 50,000 at 25p | 12,500 | 12,500 |
| fully paid - 17,438,616 at £1 | 17,438,616 | 17,438,616 |
| | 17,451,116 | 17,451,116 |

9 Reconciliation of movements in equity shareholders' funds

| | Year ended 30 April 2006 £ | Year ended 30 April 2005 £ |
|------------------------------------|-------------------------------------|-------------------------------------|
| Loss for the financial year | (1,476) | (6,742,418) |
| Opening equity shareholders' funds | 8,499,658 | 15,242,076 |
| Closing equity shareholders' funds | 8,498,182 | 8,499,658 |

10. Related party disclosures

The Company has taken advantage of the exemption, permitted by Financial Reporting Standard No 8, not to disclose transactions with group companies

11 Ultimate holding company and controlling company

Christineborg Fastigheter AB, a company incorporated in Sweden, is the immediate parent company. This company does not prepare consolidated financial statements.

Christineborg Holding AB, a company incorporated in Sweden, is the ultimate parent company and the only company to consolidate the financial statements of this company. Copies of these consolidated financial statements may be obtained from PRV, Bolagsavdelningen, 851 81 Sundsvall, Sweden. Mr and Mrs UG Linden are the company's ultimate controlling party owing to their 100% stake in the share capital of Christineborg Holding AB.