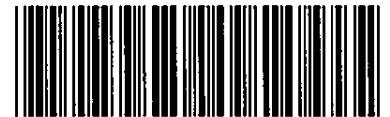


SENIOR FINANCE THREE LIMITED

Report and Financial Statements

For the year ended 31 December 2009

SATURDAY



APK3RKEB

A45

29/05/2010

303

COMPANIES HOUSE

SENIOR FINANCE THREE LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

SENIOR FINANCE THREE LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A J Bodenham
M Rollins

SECRETARY

A J Bodenham

REGISTERED OFFICE

59/61 High Street
Rickmansworth
Hertfordshire
WD3 1RH

AUDITORS

Deloitte LLP
Reading, United Kingdom

SENIOR FINANCE THREE LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activity and business review

The company acts as a non-trading financing company within the Senior plc group of companies and is expected to do so for the foreseeable future

The company achieved a good level of profit and its financial position remains strong. This, combined with the support of its ultimate parent company (Senior plc), give the directors the expectation that the company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the company's Financial Statements

Results and dividends

The results for the year were as follows

	2009 £000	2008 £000
Profit and loss account, 1 January	228	230
Profit for the financial year	7,772	7,805
Dividends paid	(7,794)	(7,807)
Profit and loss account, 31 December	<u>206</u>	<u>228</u>

Principal risks and uncertainties

The company's principal financial assets are amounts due from group undertakings

The main risk facing the company is attributed to its receivables from group undertakings. The directors address this by ensuring all group undertakings have sufficient resources to be able to continue trading and to be able to service its debts

Directors

The directors who served during the year and to the date of signing this report were as follows

A J Bodenham
M Rollins

SENIOR FINANCE THREE LIMITED

DIRECTORS' REPORT (continued)

Auditors

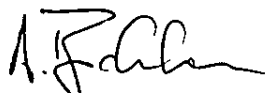
Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself 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 s418 of the Companies Act 2006

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



A J Bodenham
Secretary

11 May 2010

Registered Office

59/61 High Street
Rickmansworth
Herts
WD3 1RH

SENIOR FINANCE THREE LIMITED

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 instruments for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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 SENIOR FINANCE THREE LIMITED

We have audited the financial statements of Senior Finance Three Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Gregory Culshaw (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Reading, United Kingdom

25 May 2010

SENIOR FINANCE THREE LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2009

	Notes	2009 £000	2008 £000
Interest receivable	2	<u>10,794</u>	<u>10,917</u>
Profit on ordinary activities before taxation	3	10,794	10,917
Tax on profit on ordinary activities	4	<u>(3,022)</u>	<u>(3,112)</u>
Profit on ordinary activities after taxation being the retained profit for the year	8	<u>7,772</u>	<u>7,805</u>

All activities derive from continuing operations

There are no recognised gains and losses other than the result for the current and preceding financial year. Accordingly, no statement of total recognised gains and losses is given.

SENIOR FINANCE THREE LIMITED

BALANCE SHEET
31 December 2009

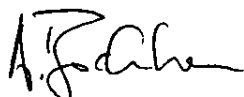
	Notes	2009 £000	2008 £000
Current assets			
Debtors	6	<u>181,374</u>	<u>181,396</u>
Total assets		<u>181,374</u>	<u>181,396</u>
 Capital and reserves			
Called up share capital	7	181,168	181,168
Profit and loss account	8	<u>206</u>	<u>228</u>
Shareholder's funds	8	<u>181,374</u>	<u>181,396</u>

These financial statements were approved by the Board of Directors and authorised for issue on 11 May 2010

Signed on behalf of the Board of Directors



M Rollins
Director



A J Bodenham
Director

Company Registration No 05080222

SENIOR FINANCE THREE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and have been applied consistently in the current and prior year. The particular accounting policies adopted are described below.

a) Accounting convention

The financial statements are prepared on the going concern basis as discussed in the Directors' Report under the historical cost convention.

b) Going concern

The company's financial position and future prospects are described in the Directors' Report. The company achieved a good level of profit and its financial position remains strong. This, combined with the support of its ultimate parent company (Senior plc), give the directors the expectation that the company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the company's Financial Statements.

c) Taxation

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

d) Cashflow statement

As permitted by Financial Reporting Standard No 1 (Revised), the company has not produced a cashflow statement, as it is a wholly owned subsidiary undertaking of Senior plc, which has produced a group cashflow statement in its accounts.

SENIOR FINANCE THREE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2009

2 Interest receivable

	2009 £000	2008 £000
Intercompany interest receivable	<u>10,794</u>	<u>10,917</u>

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging	2009 £000	2008 £000
Auditors' remuneration – Annual statutory audit services	<u>1</u>	<u>1</u>

There were no non audit services in either year

Directors' remuneration for services provided to the company was £nil (2008 - £nil) in the year

The company has no other employees (2008 - nil)

4 Tax on profit on ordinary activities

a) Analysis of tax charge on ordinary activities

	2009 £000	2008 £000
UK corporation tax charge at 28% (2008 – 28.5%) on the profit for the year	<u>3,022</u>	<u>3,112</u>

The above tax charge relates to amounts payable in respect of group tax relief

b) Factors affecting the tax charge for the current year

	2009 £000	2008 £000
Profit on ordinary activities before taxation	<u>10,794</u>	<u>10,917</u>
Tax charge at 28% (2008 – 28.5%) thereon	<u>3,022</u>	<u>3,112</u>
Current tax charge for the year	<u>3,022</u>	<u>3,112</u>

5 Dividends

	2009 £000	2008 £000
Interim dividend for the year ended 31 December 2009 of 4.30p (2008 – 4.31p) per ordinary share	<u>7,794</u>	<u>7,807</u>

SENIOR FINANCE THREE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2009

6 Debtors

	2009 £000	2008 £000
Amounts due from group undertakings	181,365	181,396
Group tax relief recoverable	9	-
	<u>181,374</u>	<u>181,396</u>

7 Called-up share capital

	2009 £000	2008 £000
Authorised		
200,000,000 ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Called-up, allotted and fully paid		
181,167,530 ordinary shares of £1 each	<u>181,168</u>	<u>181,168</u>

8 Shareholder's funds and movements on reserves

	Share capital £000	Profit and loss account £000	2009 Total shareholder's funds £000	2008 Total shareholder's funds £000
At 1 January	181,168	228	181,396	181,398
Profit for the financial year	-	7,772	7,772	7,805
Dividends paid	-	(7,794)	(7,794)	(7,807)
At 31 December	<u>181,168</u>	<u>206</u>	<u>181,374</u>	<u>181,396</u>

SENIOR FINANCE THREE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2009**

9 Guarantees

a) Private placement loans

The company is a guarantor, jointly and severally, with certain other group companies, of US \$120 million (2008 – \$120 million) unsecured loan notes under an agreement dated 8 October 2008

The company is a guarantor, jointly and severally, with certain other Group companies, of US \$30 million (2008 – \$30 million) unsecured loan notes under an agreement dated 31 January 2007

The company is a guarantor, jointly and severally, with certain other group companies of US \$35million (2008 – \$35 million) unsecured loan notes under an agreement dated 22 October 2007

b) Bank guarantees

The company is a guarantor, jointly and severally, with certain other group companies, of all indebtedness of these other group companies to one of the group's UK clearing bankers

c) Revolving credit facility

The company is a guarantor, jointly and severally, with certain other group companies of a committed £80 million syndicated multi-currency revolving credit facility maturing in July 2012. At 31 December 2009 the total amounts borrowed under the facility were £4.5 million comprising €5.0 million. At 31 December 2008 the total amounts borrowed under the facility were £20.2 million comprising £18.6 million and €1.7 million.

d) Bilateral facility

In January 2008, a new £20m bilateral 364 day facility, with an option to extend by one year, was established with the Group's principal UK clearing bankers. The facility was cancelled in October 2008 following the raising of the \$120 million loan notes.

10 Ultimate parent company

On 30 September 2009, Senior Engineering Investments B.V., a company incorporated in the Netherlands and registered as having established a branch in England and Wales, transferred 100% of its investment in Senior Finance Three Limited to Senior Finance Four Limited and on this date, Senior Finance Four Limited became the company's immediate parent company.

The company's ultimate parent and controlling company, which prepares consolidated accounts incorporating the company's results, is Senior plc, whose registered office is at 59/61 High Street, Rickmansworth, Hertfordshire WD3 1RH. The consolidated accounts of the group are available to the public and can either be downloaded from the Senior plc website www.seniorplc.com or obtained from the aforementioned address.

11 Related party transactions

Transactions with group entities are not disclosed as the company is a wholly owned subsidiary of a company which produces consolidated accounts that are publicly available.

