

# **I & H Brown Toddleburn Limited**

## **Report and Financial Statements**

31 August 2005

**ERNST & YOUNG**



Registered No: 259104

**Directors**

D H Brown

J S Brown

**Secretary**

J S Brown

**Auditors**

Ernst & Young LLP

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JD

**Registered Office**

Dunkeld Road

Perth

PH1 3YD

## Directors' report

The directors present their report and financial statements for the year ended 31 August 2005.

### Principal activities and trading review

The company's principal activity during the year was wind farm development. The loss for the year, after taxation, amounted to £652,424 (2004: £Nil). The directors do not recommend the payment of a dividend.

### Directors

The directors of the company during the year ended 31 August 2005 were those listed on page 1.

### Directors' interests

None of the directors have an interest in the company at the period end. Details of the directors' interests in the ultimate holding company appear in the financial statements of that company.

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



J S Brown  
Secretary

23 December 2005

## **Statement of directors' responsibilities in respect of 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 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; 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 I & H Brown Toddleburn Limited**

We have audited the company's financial statements for the year ended 31 August 2005 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 7. 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 I & H Brown Toddleburn Limited (continued)

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 2005 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  
Newcastle upon Tyne

23 December 2005

## Profit and loss account

for the year ended 31 August 2005

		<i>Year ended</i>	<i>Period ended</i>
		<i>31 August</i>	<i>31 August</i>
	<i>Notes</i>	<i>2005</i>	<i>2004</i>
		<i>£</i>	<i>£</i>
Operating costs		(652,424)	-
<b>Operating loss</b>		<u>(652,424)</u>	<u>-</u>
Tax on loss on ordinary activities	2	-	-
<b>Loss retained for the financial year</b>		<u><u>£(652,424)</u></u>	<u><u>£ -</u></u>

## Statement of total recognised gains and losses

for the year ended 31 August 2005

There are no recognised gains and losses other than the loss attributable to shareholders of the company of £652,424 in the year ended 31 August 2005.

**Balance sheet**

at 31 August 2005

	<i>Notes</i>	2005 £	2004 £
<b>Current assets</b>			
Debtors	3	114,274	100
<b>Current liabilities</b>			
Creditors	4	766,598	-
<b>Total assets less current liabilities</b>		<u>(652,324)</u>	<u>100</u>
<b>Capital and reserves</b>			
Called up share capital	5	100	100
Profit and loss reserve	6	(652,424)	-
<b>Equity shareholders' (deficit)/funds</b>		<u>£(652,324)</u>	<u>£100</u>

ERNST &amp; YOUNG



J S Brown – Director

23 December 2005



# Notes to the financial statements

at 31 August 2005

## 1. Accounting policies

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

## 2. Taxation on loss on ordinary activities

(a) The taxation charge is made up as follows:

	2005	2004
	£ -	£ -
Current tax		

(b) Factors affecting the current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2004: 30%)

The differences are reconciled below:

	2005 £	2004 £
Loss on ordinary activities before taxation	(652,424)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004: 30%)	(195,727)	-
Group relief	195,727	-
Total current tax	£ -	£ -

## 3. Debtors

	2005	2004
Other debtors	£114,274	£100

## 4. Creditors

	2005	2004
Amounts due to parent undertaking	£766,598	£ -

## Notes to the financial statements

at 31 August 2005

### 5. Called up share capital

	2005 <i>No</i>	2004 <i>No</i>	Authorised 2005 £	Authorised 2004 £
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	2005 <i>No</i>	2004 <i>No</i>	Allotted, called up and fully paid 2005 £	Allotted, called up and fully paid 2004 £
Ordinary shares of £1 each	100	100	100	100

### 6. Reconciliation of shareholders' funds/(deficit) and movement in reserves

	Share capital £	Profit and loss account £	Total £
At 31 August 2004	100	-	100
Loss for the year	-	(652,424)	(652,424)
At 31 August 2005	£100	£(652,424)	£(652,324)

### 7. Parent undertaking and controlling party

The ultimate parent company and controlling party is I & H Brown Limited, a company incorporated in Scotland. It has included the company in its group financial statements, copies of which are available from its registered office as detailed on page 1.