

BNY BT NEWCO LIMITED

000005-60

**Report and Financial Statements**  
**For the period ended 31 December 2004**



**REGISTERED NUMBER IN ENGLAND AND WALES : FC025663**

# **BNY BT NEWCO LIMITED**

## **DIRECTORS' REPORT**

**For the period 7 October 2004 to 31 December 2004**

The directors present their report together with the financial statements for the period from 7 October 2004 to 31 December 2004.

### **Review of business**

The principal activity of the Company is to act as an investment company. No significant change in this activity is envisaged in the foreseeable future.

### **Results and Dividends**

During the period the Company made a profit after taxation of £31,941. The directors declared preferred dividends of £4,854,169 during the period and an in specie distribution on ordinary shares of £155,164,513. The directors consider that the performance of the Company has been satisfactory during the period.

### **Directors**

The directors of the Company, who served during the period, together with their dates of appointment and resignation, where appropriate, are as shown below:

B J Hurrell (appointed 8 October 2004)  
A N Janisch (appointed 8 October 2004)  
A J Moses (appointed 8 October 2004)  
D Hackett (appointed 8 October 2004, resigned 31 march 2005)  
P Hinds (resigned 8 October 2004)

### **Directors' Interests in Shares (as defined by Section 325 of the Companies Act 1985)**

No disclosure is made as the directors have taken advantage of the modifications and exemptions from disclosure that are set out in the Overseas Companies (Accounts) (Modifications and Exemptions) Order 1990.

## **BNY BT NEWCO LIMITED**

### **DIRECTORS' REPORT (continued)**

**For the period 7 October 2004 to 31 December 2004**

#### **Statement of Directors' Responsibilities**

The directors are required by the Companies Act 1985 as applicable to overseas companies to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for the financial period.

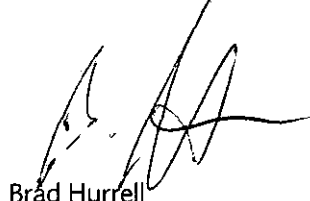
The directors consider that in preparing the accounts,

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- that all the accounting standards which they consider to be applicable have been followed, and
- that the financial statements have been prepared on a going concern basis.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 1985 as applicable to overseas companies.

The directors 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.

**BY ORDER OF THE BOARD**



**Brad Hurrell**

**Director**

**For and on behalf of**

**BNY BT NEWCO LIMITED**

**Ugland House, South Church Street**

**George Town,**

**Grand Cayman,**

**Cayman Islands**

**Date: 25 October 2005**

# BNY BT NEWCO LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD 7 OCTOBER 2004 TO 31 DECEMBER 2004

	Notes	7 October 2004 to 31 December 2004 £
Administrative expenses		(1,021)
Operating loss		<hr/> (1,021)
Income from fixed asset investments		29,101
Interest receivable and similar income	4	17,550
Profit on ordinary activities before taxation	5	<hr/> 45,630
Tax on profit on ordinary activities	6	(13,689)
Profit on ordinary activities after taxation		<hr/> 31,941
Dividends	7	(4,854,169)
In specie distribution of ordinary shares	7	(155,164,513)
Retained profit for the period		<hr/> <hr/> (159,986,381)

All recognised gains and losses are included in the profit and loss account. Operating loss is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes on pages 5 to 10 form an integral part of these financial statements.

# BNY BT NEWCO LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2004

	Notes	As at 31 December 2004 £
FIXED ASSETS	8	5,028,818
CURRENT ASSETS		
DEBTORS: Amounts falling due within one year	9	217,693
CREDITORS: Amounts falling due within one year	10	(33,252)
NET CURRENT ASSETS		<u>184,441</u>
TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS		<u>5,213,259</u>
CAPITAL AND RESERVES		
Called up share capital	11	2,000
Share premium	11	198,000
Profit and loss account	12	13,619
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>213,259</u>
Called up share capital	11	-
Share premium	11	5,000,000
TOTAL NON-EQUITY SHAREHOLDERS' FUNDS		<u>5,000,000</u>
TOTAL SHAREHOLDERS' FUNDS	12	<u>5,213,259</u>

A reconciliation of movement in shareholders' funds is given in note 12.

The notes on pages 5 to 10 form an integral part of these financial statements.

The financial statements on pages 3 to 10 were approved by the Board of Directors on 25 October 2005.

  
Brad Hurrell  
Director

# **BNY BT NEWCO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

*The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force.*

#### **Overseas company**

The financial statements have been prepared in accordance with the Companies Act 1985 applicable to overseas companies. The Company has taken advantage of the modifications and exemptions from disclosure that are set out in the Overseas Companies (Accounts) (Modifications and Exemptions) Order 1990.

#### **Foreign Exchange**

*Assets and liabilities in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Transactions denominated in foreign currencies are translated into sterling at average rates of exchange during the year unless a contracted rate applied. All other exchange profits and losses, which arise from normal trading activities, are included in the profit and loss account.*

### **2. CASH FLOW STATEMENT**

The Company's ultimate holding company has adopted the provisions of Financial Reporting Standard 1 ("FRS 1") revised 1996, Cash Flow Statements. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

### **3. DIRECTORS' EMOLUMENTS**

The directors did not receive any emoluments in respect of their services to the Company during the period.

# BNY BT NEWCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. INTEREST RECEIVABLE AND SIMILAR INCOME

	7 October 2004 to 31 December 2004 £
Interest received on bank account	17,550

### 5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	7 October 2004 to 31 December 2004 £
Profit on ordinary activities before taxation is stated after charging: Auditors' remuneration	-

There were no employees employed by the Company during the period.

# BNY BT NEWCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	7 October 2004 to 31 December 2004 £
UK corporation tax	13,689
Tax on profit on ordinary activities	<u>13,689</u>

The UK corporation tax charge is based on an effective UK corporation tax rate of 30%

Profit on ordinary activities before taxation	45,630
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	13,689
Current tax charge	<u>13,689</u>

### 7. DIVIDENDS AND DISTRIBUTIONS

	7 October 2004 to 31 December 2004 £
Dividends on Class A Preference Shares	1,005
Dividends on Class B Preference Shares	4,797,537
Dividends on Class C Preference Shares	55,627
In specie distribution on Ordinary Shares	155,164,513
	<u>160,018,682</u>



# BNY BT NEWCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. FIXED ASSETS

	Treasury Bills	Investment in BNY BT SubCo Ltd	Total £
Purchase	4,999,717	717,100,000	722,099,717
Accretion of discount	29,101	-	29,101
Disposal	-	(717,100,000)	(717,100,000)
As at 31 December 2004	5,028,818	-	5,028,818

On 7 October 2004 the Company subscribed for 717,100,000 B Ordinary shares in BNY BT SubCo Ltd for £717,100,000. On 23 December 2004 this investment was sold for consideration of £717,100,000.

Accumulated accretion on Treasury Bills at 31 December 2004 was £29,101. The market value of the Treasury Bills at 31 December 2004 was £5,034,527.

### 9. DEBTORS

Amounts falling due within one year	As at 31 December 2004 £
Cash at bank	217,693

### 10. CREDITORS: Amounts falling due within one year

	As at 31 December 2004 £
Corporation tax	13,689
Accrued expenses	1,021
Dividends payable	18,542
	33,252

# BNY BT NEWCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11. CALLED UP SHARE CAPITAL

	As at 31 December 2004 £
Authorised:	
Attributable to equity interests:	
200,000 Ordinary shares of £0.01 each	2,000.00
Attributable to non-equity interests:	
100,000 Class A Preference shares of £0.01 each	1,000.00
557 Class B Preference shares of £0.01 each	5.57
5 Class C Preference shares of £0.01 each	0.05
200,000,000 Class D Preference shares of £0.01 each	2,000,000.00
	<hr/>
Allotted and fully paid:	
Attributable to equity interests:	
200,000 Ordinary shares of £0.01 each	2,000
	<hr/>
Attributable to non-equity interests:	
5 Class C Preference shares of £0.01 each	-
	<hr/>
Share premium:	
Attributable to equity interests:	
200,000 Ordinary shares of £0.99 each	198,000
	<hr/>
Attributable to non-equity interests:	
5 Class C Preference shares of £999,999.99 each	5,000,000
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On 7 October 2004 the Company issued 200,000 ordinary shares of £0.01 each for £200,000. On the same day the ordinary shareholders made a capital contribution of £160,000,000. The ordinary shareholders hold 90% of the voting rights of the Members of the Company at general meetings. On 23 December 2004 the Company made an in specie distribution on the ordinary shares of £155,164,513.

On 12 October 2004 the Company issued 100,000 Class A Preference shares for £100,000. The Class A Preference shares carry rights to receive dividends at a rate of 5.09437% per annum. The Class A Preference shareholders hold in aggregate 10% of the voting rights of the Members of the Company at general meetings and can vote in respect of both ordinary and special resolutions. The Class A Preference shares were redeemed on 23 December 2004 for £100,000 following delivery of a Class A Redemption Notice.

On 12 October 2004 the Company issued 557 Class B Preference shares for £557,000,000. The Class B Preference shares carry rights to receive dividends at a rate of 4.36640% per annum. The Class B Preference shares do not carry voting rights. The Class B Preference shares were redeemed on 23 December 2004 for £557,000,000 following receipt of a Class B Redemption Notice.

# BNY BT NEWCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11. CALLED UP SHARE CAPITAL (continued)

On 12 October 2004 the Company issued 5 Class C Preference shares for £5,000,000. The Class C Preference shares carry rights to receive dividends at a rate of 4.36640% per annum. The Class C Preference shares do not carry voting rights. The Class C Preference shares may be redeemed by the Company or the Members at par value by serving a Class C Redemption notice on the Company.

The Company issued 2,084,581 Class D Preference shares for £2,084,581 on 10 November 2004, 2,084,581 Class D Preference shares for £2,084,581 on 9 December 2004 and a further 0.53305968 Class D Preference shares for £533,060 on 17 December 2004. The Class D Preference shares carry rights to receive dividends at the discretion of the directors of the Company. The Class D Preference shares are not entitled to vote at a general meeting of the Company. The Class D Preference shares were redeemed for £4,702,222 following a unanimous resolution of the Members.

### 12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Equity Shareholders' funds	Non-Equity shareholders' funds
	£	£
Proceeds from issue of shares:		
Ordinary shares	200,000	
Class A Preference shares		100,000
Class B Preference shares		557,000,000
Class C Preference shares		5,000,000
Class D Preference shares		4,702,222
Capital contribution from parent undertaking	160,000,000	
Redemption of shares:		
Class A Preference shares		(100,000)
Class B Preference shares		(557,000,000)
Class D Preference shares		(4,702,222)
In specie distribution of ordinary shares	(155,164,513)	
Profit for the period	31,941	
Dividends	(4,854,169)	
As at 31 December 2004	213,259	5,000,000

### 13. CAPITAL CONTRIBUTIONS FROM PARENT UNDERTAKING

During the period the Company received a one-off voluntary capital contribution, without any requirement for repayment or the payment of interest thereon, of £160,000,000 from its parent undertaking.