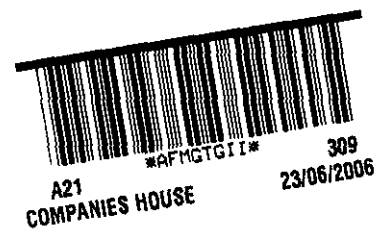


Alstec Holdings Limited

**Report and Financial Statements**

31 March 2006



## **REPORT AND FINANCIAL STATEMENTS**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

M Melling  
G Wesley

**SECRETARY**

G Wesley

**REGISTERED OFFICE**

Cambridge Road  
Whetstone  
Leicester  
LE8 6LH

**AUDITORS**

KPMG LLP  
1 Waterloo Way  
Leicester  
LE1 6LP

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2006.

### **ACTIVITIES**

The company acts as a holding company. It did not trade during the year.

### **DIVIDENDS**

A dividend of £NIL (31 March 2005 - £2,500,000) has been paid during the year. The directors recommend that no further dividend be paid.

### **DIRECTORS AND THEIR INTERESTS**

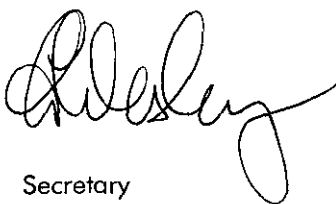
The directors who served during the year were as follows:

M R Melling

G Wesley

The directors who held office at 31 March 2006 held no interests requiring disclosure under Schedule 7 of the Companies Act 1985.

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

A handwritten signature in cursive script, appearing to read 'G Wesley', written in black ink.

Secretary

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

*The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group as at the end of the financial period 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 UK 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

o



KPMG LLP  
1 Waterloo Way  
Leicester  
LE1 6LP  
United Kingdom

## Independent auditors' report to the members of Alstec Holdings Limited

We have audited the financial statements of Alstec Holdings Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under 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 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 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 on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 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 audit 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 judgments 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*KPMG LLP*

KPMG LLP  
Chartered Accountants  
Registered Auditor

5 May 2006

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 March 2006**

	2006 £ 000	2005 £ 000
<b>TURNOVER</b>	-	-
Cost of sales	-	-
Gross profit	-	-
Selling and marketing costs	-	-
Administrative expenses	-	-
<b>OPERATING PROFIT</b>	-	-
Income from shares in group undertakings	-	2,500
Interest receivable and similar income	-	-
Interest payable and similar charges	-	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	-	2,500
Tax on profit on ordinary activities	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>	-	2,500

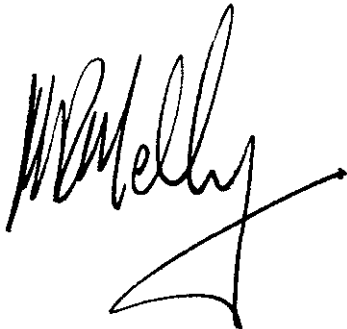
**BALANCE SHEET**  
**at 31 March 2006**

	Note	2006 £ 000	2005 £ 000
<b>FIXED ASSETS</b>			
Investment in subsidiaries	2	-	-
		-	-
<b>CURRENT ASSETS</b>			
Debtors	3	-	-
		-	-
<b>CREDITORS: amounts falling due within one year</b>	4	-	-
		-	-
<b>NET CURRENT ASSETS</b>		-	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		-	-
		-	-
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	-	-
<b>EQUITY SHAREHOLDERS' FUNDS</b>		-	-

These financial statements were approved by the Board of Directors on 5 May 2006.

Signed on behalf of the Board of Directors

Director





## **NOTES TO THE ACCOUNTS for the year ended 31 March 2006**

### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable UK accounting standards. The following accounting policies have been consistently applied to matters that are considered material to the financial statements.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Consolidation**

In respect of the year ended 31 March 2006, the Company has taken advantage of the exemptions of Section 228 of the Companies Act 1985 which exempts the Company from preparing consolidated accounts for its group as it was a wholly owned subsidiary of Alstec Group Limited incorporated in the UK, the consolidated accounts of which are publicly available.

#### **Cash flow statement**

The company has taken advantage of the provision of FRS No. 1 (revised) not to prepare a cash flow statement on the basis that consolidated accounts in which the results of Alstec Holdings Limited are included, are publicly available.

#### **Investment in Subsidiaries**

In the company's financial statements, investments in subsidiary undertakings are stated at cost, less any provision required to reflect a diminution in value.

#### **Related party transactions**

In respect of the year ended 31 March 2006, the company was ultimately a wholly owned subsidiary and, accordingly, has taken advantage of the exemptions of FRS No. 8 which exempts the company from disclosure of all intra group transactions, as the consolidated accounts of its ultimate parent company are publicly available.

### **2. INVESTMENTS IN SUBSIDIARIES**

The company has an investment of £2 (31 March 2005: £2) in a subsidiary undertaking.

Details of the subsidiary, which is wholly owned and involved in the provision of engineered solutions and services across a range of industrial sectors, are as follows;

<b>Subsidiary</b>	<b>Country of incorporation</b>
Alstec Limited	UK

**NOTES TO THE ACCOUNTS  
for the year ended 31 March 2006**

**3. DEBTORS**

<b>Amounts falling due within one year</b>	<b>2006 £ 000</b>	<b>2005 £ 000</b>
Amounts owed by group undertakings	-	-
	-	-

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2006 £ 000</b>	<b>2005 £ 000</b>
Amounts owed to group undertakings	-	-
	-	-

**5. CALLED UP SHARE CAPITAL**

	<b>2006 £</b>	<b>2005 £</b>
Authorised Ordinary shares of £1 each	1,000	1,000
Called up, allotted and fully paid Ordinary shares of £1 each	1	1

**6. ULTIMATE PARENT COMPANY**

The company's ultimate parent company is Alstec Group Limited, a company incorporated in the UK. Copies of its accounts are available from the Registrar of Companies.