

**BI SECRETARIAT LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**



**BI SECRETARIAT LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

The directors present their report together with the accounts for the year ended 31 December 2005.

**Principal activities and review of business**

The company did not trade during the year.

**Directors and their interests**

The directors of the company during the year were as follows:

Mr S G Wain (resigned 26 May 2005)  
BI Nominees Limited (appointed 22 February 2005)  
Mrs T Miles (resigned 22 February 2005)  
Mr D E Rogers (appointed 26 May 2005)  
Mr J A Bednall (appointed 30 September 2005)

None of the directors held any interest in the company or any other group companies in the year.

**Statement of directors' responsibilities**

Company law requires the directors to prepare accounts 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 year. In preparing these accounts 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 accounts;

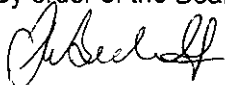
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts 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.

**Auditors**

For the year ended 31 December 2005, the company was entitled to exemption from audit under sections 249AA and 249B of the Companies Act 1985.

By order of the Board



**On behalf of  
BI Nominees Limited, Secretary  
31 March 2006**

Unit 1First Avenue  
Maybrook Industrial Estate  
Minworth  
Sutton Coldfield  
West Midlands  
B76 1BA

**BI SECRETARIAT LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2005**

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Investments	2	41	41
<b>Current assets</b>			
Debtors	3	<u>2,797,965</u>	<u>2,797,965</u>
<b>Net current assets</b>		<u>2,797,965</u>	<u>2,797,965</u>
<b>Total assets less current liabilities</b>		<u>2,798,006</u>	<u>2,798,006</u>
<b>Creditors: Amounts falling due after more than one year</b>	4	<u>(17,087)</u>	<u>(17,087)</u>
<b>Net assets</b>		<u>2,780,919</u>	<u>2,780,919</u>
<b>Capital and reserves</b>			
Share capital - equity	5	1,800,700	1,800,700
Share capital - non equity	5	26,000	26,000
Share premium account		48,000	48,000
Profit and loss account	6	<u>906,219</u>	<u>906,219</u>
<b>Shareholders' funds</b>		<u>2,780,919</u>	<u>2,780,919</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249AA of the Companies Act 1985 for the year ended 31 December 2005.

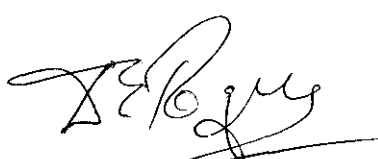
The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keep accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts were approved by the board on 31 March 2006 and signed on its behalf by:

  
**Mr D E Rogers**  
 Director

**BI SECRETARIAT LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

**1. Accounting Policies**

**Basis of Accounting**

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

**Consolidation**

The accounts contain information about BI Secretariat Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated accounts as it is a wholly owned subsidiary of another UK company.

**Investments in Subsidiaries**

Investments in subsidiary undertakings are stated at cost less provision for diminution in value.

**Cash Flow Statement**

The company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of National Industries Group S.A.K. and its cash flows are included within the consolidated cash flow statement in the published accounts of that company, which are publicly available.

**2. Investments**

**Other  
investments  
other than loans  
£**

**Cost and Net Book Value**

At 31 December 2005 and 31 December 2004

**41**  
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The company owns the entire issued share capital of Frederick A Yates (Engineers) Limited, a dormant company registered in England and Wales. Consolidated accounts have not been produced as permitted by Section 228 of the Companies Act 1985.

**3. Debtors**

	<b>2005 £</b>	<b>2004 £</b>
Amounts owed by group undertakings	<b>2,797,965</b> -----	2,797,965 -----

Amounts owed by group undertakings are due after more than one year.

**BI SECRETARIAT LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**  
(continued)

4. **Creditors: Amounts falling due after more than one year**

	2005 £	2004 £
Amounts owed to group undertakings	17,087	17,087
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There are no predetermined repayment dates or interest payment arrangements applying to amounts owed to group undertakings. However, repayment will not be requested within one year.

5. **Share Capital**

**Authorised**

**Equity shares**

9,000,000 ordinary shares of 25p each	2,250,000	2,250,000
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**Non equity shares**

60,000 4.2% cumulative preference shares of 50p each	30,000	30,000
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	-----	-----
	2,280,000	2,280,000
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**Allotted**

**Equity shares**

Issued, allotted, called up and fully paid ordinary shares of 25p each	1,800,700	1,800,700
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**Non equity shares**

Issued, allotted, called up and fully paid 4.2% cumulative preference shares of 50p each	26,000	26,000
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	1,826,700	1,826,700
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No dividend has been declared in respect of the cumulative preference share during the year. At 31 December 2005 the cumulative arrears of dividend amounted to £15,288 (2004 : £15,288).

6. **Profit and Loss Account**

During the year the company did not trade, received no income and incurred no expenditure. Consequently the company made neither a profit nor a loss.

7. **Related Parties**

The company is controlled by BI Group Plc. The ultimate controlling party is National Industries Group S.A.K.

The company has taken advantage of the exemption given in Financial Reporting Standard No 8 Related Party Disclosures with respect to inter group disclosures as the group controls at least 90% of the company's voting share capital and the group accounts are publicly available.

**BI SECRETARIAT LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**  
(continued)

**8. Ultimate Parent Company and Parent Undertaking of Larger Group**

The company is a subsidiary undertaking of BI Group Plc. The ultimate parent company is National Industries Group S.A.K., incorporated in Kuwait. Copies of the accounts of National Industries Group S.A.K. are available from PO Box 417, 13005 Safat, Kuwait.

The smallest group in which the results of the company are consolidated is that headed by NIC Holdings (UK) PLC, incorporated in the United Kingdom. Copies of the accounts of this entity are available from Unit 1 First Avenue, Maybrook Industrial Estate, Minworth, Sutton Coldfield, West Midlands B76 1BA.