

**Company Registration No. 540682**

**Registered in England and Wales**

**ALSTOM RESOURCES MANAGEMENT LTD**

**Report and Financial Statements**

**For the Year Ended**

**31 March 2010**



**REPORT AND FINANCIAL STATEMENTS 2010**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

H C Austin  
S R Burgin  
K D Carr (appointed 19 April 2010)  
A N Pike (appointed 30 July 2009)  
R M Purcell  
B W Radford  
J A Tyler  
A D Cledwyn-Davies (deceased 12 April 2010)

**SECRETARY**

R M Purcell

**REGISTERED OFFICE**

Newbold Road  
Rugby  
Warwickshire  
CV21 2NH

**AUDITORS**

Mazars LLP  
Lancaster House  
67 Newhall Street  
Birmingham  
B3 1NG

**DIRECTORS' REPORT**  
**Year ended 31 March 2010**

The Directors present their report and the financial statements for the year ended 31 March 2010

**BUSINESS REVIEW, FUTURE PROSPECTS AND PRINCIPAL ACTIVITIES**

The Company's principal activity is to act as a management services company by providing the services of certain senior employees to other Alstom group companies. Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the Company. There are no risks or uncertainties facing the Company including those within the context of the use of financial instruments.

**TRADING RESULTS**

The Company made an operating profit in the year ended 31 March 2010 of £15,000 (2009 £15,000). The profit after interest and tax for the year was £25,000 (2009 £687,000).

**EMPLOYEES**

Details of the number of employees and related costs can be found in note 3 to the financial statements.

**DIVIDEND**

The Directors do not propose a final dividend (2009 £nil).

**DIRECTORS AND THEIR INTERESTS**

The Directors who held office during the year and subsequently are noted on page 1.

According to the register kept by the Company, as at 31 March 2010 none of the Directors had any disclosable interests in the shares or debentures of the Company or its ultimate parent Company at any time during the year.

During the year the Company has maintained the grant of an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

**AUDITORS**

During the year, following a process initiated by the Group, Ernst & Young LLP resigned as auditors and Mazars LLP were appointed in their place.

The Directors believe that they have taken reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Further, they believe that they have taken appropriate steps to ensure that there is no relevant audit information of which the Company's auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors  
and signed by order of the Board



R M Purcell  
Secretary

28 April 2010

## **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 statements for each financial year. Under that law, the Directors have elected to prepare financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 year. 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 United Kingdom 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 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  
ALSTOM RESOURCES MANAGEMENT LTD**

We have audited the financial statements of ALSTOM Resources Management Ltd for the year ended 31 March 2010, which comprise the profit and loss account, the balance sheet and the related notes 1 to 9. 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).

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the Directors are responsible for preparing 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. 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 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.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web site at <http://www.frc.org.uk/apb/scope/UKNP>.

**Opinion on the 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 March 2010 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.

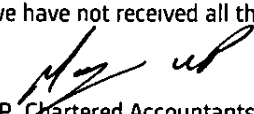
**Opinion on the other matter prescribed by the Companies Act 2006**

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.

  
Mazars LLP, Chartered Accountants (Statutory Auditor)  
Paul Martin Lucas (Senior Statutory Auditor)  
Birmingham, UK  
28 April 2010

**PROFIT AND LOSS ACCOUNT****Year ended 31 March 2010**

	<b>Note</b>	<b>2010 £000</b>	<b>2009 £000</b>
<b>TURNOVER</b>	<b>2</b>	<b>2,055</b>	<b>2,066</b>
Cost of sales		(2,040)	(2,051)
<b>GROSS PROFIT BEING PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>15</b>	<b>15</b>
Interest receivable from fellow Group companies		65	847
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>4</b>	<b>80</b>	<b>862</b>
Tax on profit on ordinary activities	<b>5</b>	(55)	(175)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED</b>		<b>25</b>	<b>687</b>
Profit and loss account brought forward		3,197	2,510
<b>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</b>		<b>3,222</b>	<b>3,197</b>

All results derived from continuing operations. There are no recognised gains or losses or movements in Shareholders' Funds in the current year or the preceding year other than those shown in the Profit and Loss Account.

**BALANCE SHEET****31 March 2010**

	<b>Note</b>	<b>2010 £000</b>	<b>2009 £000</b>
<b>CURRENT ASSETS</b>			
Debtors amounts due from fellow group undertakings		27,513	28,082
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Group relief payable		(696)	(1,290)
<b>NET ASSETS</b>		<u>26,817</u>	<u>26,792</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	10,854	10,854
Share premium account		12,741	12,741
Profit and loss account		<u>3,222</u>	<u>3,197</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>26,817</u>	<u>26,792</u>

These financial statements were approved by the Board of Directors and issued to the shareholders on 28 April 2010

Signed on behalf of the Board of Directors



R M Purcell

Director



## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2010

### 1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards in the United Kingdom. The particular accounting policies are described below.

#### Turnover

Turnover is shown net of VAT and comprises salary recharges and fees payable by fellow group companies as agreed from time to time.

#### Taxation

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

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised to the extent that, on the basis of all available evidence, it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are not discounted.

#### Pension schemes

For multi-employer defined benefit pension plans and defined contribution plans, the Company's cash contributions are charged against profits for the year. The assets are held in trustee-administered funds independent of the Company's finances.

#### Cash flow statement

The Directors have taken advantage of the exemption contained in Financial Reporting Standard No 1 from preparing a cash flow statement on the grounds that the Company is a wholly owned subsidiary of ALSTOM which itself has prepared a consolidated cash flow statement incorporating the Company.

### 2. TURNOVER

The Company's turnover derived from its principal activity arising in the United Kingdom

**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2010****3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The Directors in the year received no remuneration for their services as Directors of this Company. Their costs are borne by another group company.

	<b>2010</b>	<b>2009</b>
	<b>No</b>	<b>No</b>
<b>Average number of persons employed</b>		
Management and administration	9	10
	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
<b>Staff costs during the year</b>		
Wages and salaries	1,775	1,724
Social security costs	153	201
Pension costs (note 7)	112	126
	2,040	2,051

**4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

The auditors' remuneration in 2010 and 2009 was borne by a fellow group company.

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES****Analysis of tax charge on ordinary activities**

	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
United Kingdom Corporation Tax based on the profit for the year at 28% (2009: 28%)	22	241
Adjustment in respect of prior years	33	(66)
Current tax charge	55	175

**Factors affecting tax charge for the current year**

The current tax charge for the year differs from that resulting from applying the standard rate of tax in the UK, 28% (2009: 28%). The differences are explained below.

	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before tax	80	862
Tax at 28% thereon (2009: 28%)	22	241
Prior period adjustments	33	(66)
Current tax charge	55	175

**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2010****6. CALLED UP SHARE CAPITAL**

	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
Authorised		
15,000,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>
Called up, allotted and fully paid		
10,854,414 Ordinary shares of £1 each	<u>10,854</u>	<u>10,854</u>

**7. EMPLOYEE BENEFIT OBLIGATIONS (PENSION SCHEMES)****Alstom Pension Scheme**

The Company participates in the Alstom Pension Scheme ("the Scheme") This is a defined benefit multi-employer scheme The Scheme's funds are administered by a Trustee and are independent of Company finances Investment of the Scheme's assets in Alstom Group companies is not permitted by the Trustee

The Company is unable to identify its share of the net assets and liabilities of the Scheme The Company therefore accounts for its pension contributions to the Scheme on a defined contribution basis, as allowed by FRS 17 (amended) Full details of the Scheme are available in the financial statements of ALSTOM Ltd, the Principal Employer

The pension charge for the year ended 31 March 2010 in respect of the defined benefit scheme was £67,000 (2009 £70,000), calculated as 8-14% of members' pensionable earnings, agreed after receiving actuarial advice

The Company expects to contribute a total of £70,000 to the Scheme in the year ending 31 March 2011

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>% per annum</b>	<b>% per annum</b>	<b>% per annum</b>
Discount rate at 31 March	5.8	6.4	6.3
Expected return on plan assets at 31 March	6.7	7.1	7.1
Rate of increase in salaries	3.8	3.4	4.0
Rate of increase in pensions	2.6	2.2	2.8
Rate of price inflation	2.8	2.4	3.0

The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2010

## 7. EMPLOYEE BENEFIT OBLIGATIONS (PENSION SCHEMES) (CONTINUED)

## Alstom Pension Scheme (continued)

The following is a summary of the present value of the funded benefit obligations and the fair value of the plan assets of the Scheme

	Expected rate of return %	2010 £ million	Expected rate of return %	2009 £ million
Equities	8.5%	440.5	7.7%	386.6
Bonds	5.6%	742.9	6.4%	617.2
Property	7.5%	97.7	6.7%	84.6
Other	4.5%	22.2	4.1%	9.9
Total fair value of plan assets		1,303.3		1,098.3
Present value of funded obligations		(1,469.1)		(1,228.3)
Net liability		(165.8)		(130.0)

The assumptions used by the actuary have a significant effect on the actuarial valuation of the Scheme liabilities. The following sensitivity analysis for each of the assumptions used to measure the actuarial valuation of the Scheme's liabilities shows the increase or decrease in the funded obligation at 31 March.

Impact on funded obligation	Change in assumption	Change in funded obligation	(Decrease)/ Increase in funded obligation £ million
Discount rate	Increase by 0.25%	Decrease by 4.0%	(58.8)
Rate of price inflation	Increase by 0.25%	Increase by 1.0%	14.7
Rate of increase in pensions	Increase by 0.25%	Increase by 3.1%	45.5
Rate of increase in salaries	Increase by 0.25%	Increase by 0.1%	1.5

## Defined contribution scheme

In addition, the Company operates a defined contribution retirement benefit scheme for all qualifying employees. The assets are held in trustee-administered funds independent of the Company's finances. The total amount charged to the profit and loss account for the year was £45,000 (2009: £56,000).

## 8. PARENT UNDERTAKINGS

The Company's immediate parent undertaking is ALSTOM UK Holdings Ltd.

The Company's ultimate parent undertaking and ultimate controlling party is ALSTOM, a company incorporated in France. The only Group in which the results of the Company are consolidated is that headed by ALSTOM. A copy of the ALSTOM financial statements can be obtained from 3 avenue André Malraux, 92309 Levallois-Perret Cedex, France, or via the Alstom website at [www.alstom.com](http://www.alstom.com).



**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2010**

**9. RELATED PARTY TRANSACTIONS**

Pursuant to the exemption granted by Financial Reporting Standard No 8 "Related Party Disclosures" transactions with other undertakings within the Alstom Group have not been disclosed within these financial statements