



# Metronet Rail BCV Holdings Limited

(formerly Intercede 1746 Limited)

Consolidated financial statements 30 June 2002  
together with auditors' report

Registered number: 04287512



## Directors' report

For the period ended 30 June 2002

The directors present their report on the affairs of the company, together with the accounts and auditors' report, for the period from Incorporation to 30 June 2002.

### Directors' responsibilities

United Kingdom company law requires the directors to prepare accounts 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 of the company for that period. In preparing those 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; and
- 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Principal activities and business review

The principal activity of the company is to act as a holding company. The company was incorporated on 14 September 2001 and has not traded during the period ended 30 June 2002.

The company commenced trading as a holding company for the Metronet Rail BCV group of companies on 4 April 2003 and will continue to do so for the foreseeable future.

### Results and dividends

The directors do not propose the payment of a dividend.

## Directors' report

For the period ended 30 June 2002

### Directors

The directors who served during the period were:

S J	Howley	(resigned 17 April 2002)
M W	Rich	(resigned 17 April 2002)
S	Billingham	(resigned 7 May 2002)
H R	Hoare	(resigned 7 May 2002)
A L P	Rabin	
K R	Rands	
D R	Clements	
H A E	Cadoux-Hudson	
T J V	Jones	

None of the directors had any interests in the share capital of the company or any other group company.

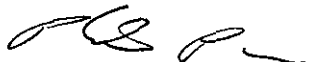
### Auditors

Deloitte & Touche were appointed as auditors on 17 July 2003.

On 1 August 2003, Deloitte & Touche will transfer their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. However, at present they remain the company's auditors and have signed the accounts in that capacity. The company has given its consent to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003. Accordingly, although the accounts have been signed in the name of Deloitte & Touche, a resolution for the re-appointment of Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Third Floor  
Victoria Station House  
191 Victoria Street  
London

By order of the Board,



Director

18 July 2003

## Independent auditors' report

### **To the Directors of Metronet Rail BCV Holdings Limited (formerly Intercede 1746 Limited):**

We have audited the financial statements of Metronet Rail BCV Holdings Limited (formerly Intercede 1746 Limited) for the period from incorporation to 30 June 2002 which comprise the balance sheets, the cash flow statement and the related notes 1 to 7. 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 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 United Kingdom legal and regulatory requirements and 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 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 and other members of the group is not disclosed.

We read the directors' report and the other information contained in the annual report for the above period as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **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 circumstances of the company and the group, consistently applied and adequately disclosed.

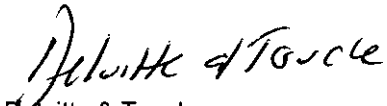
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Metronet Rail BCV Holdings Limited (formerly Intercede 1746 Limited)**

## Independent auditors' report (continued)

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 30 June 2002 and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
London

18 July 2003:


## Balance sheets

30 June 2002

	Notes	Group 2002 £	Company 2002 £
<b>Fixed assets</b>			
Investments	3	-	12,501
<b>Current assets</b>			
Cash at bank and in hand		12,600	99
<b>Net assets</b>		12,600	12,600
<b>Capital and reserves</b>			
Called up share capital	4	12,600	12,600
<b>Equity shareholders' funds</b>	6	12,600	12,600

These financial statements were approved by the Board of Directors on [date].

**Signed on behalf of the Board**



Philip Pacey

Director

18 July 2003:

# Consolidated cash flow statement

For the period ended 30 June 2002

	Notes	Period to 30 June 2002 £
Net cash inflow from operating activities		-
Acquisitions and disposals	5	-
Financing	5	12,600
Increase in cash		<u>12,600</u>

## Reconciliation of net cash flow to movement in net funds

	£
Increase in cash in the period	12,600
Net funds at 14 September 2001	-
Net funds at 30 June 2002	<u>12,600</u>

## Analysis of changes in net funds

	At beginning of period £	Cash flows £	At end of period £
Cash at bank and in hand	-	12,600	12,600
	-	12,600	12,600

## Notes to the accounts

30 June 2002

### 1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the period are set out below.

#### a) Basis of accounting

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

#### b) Investments

The investment in shares of subsidiary undertakings are stated at cost less provision for any impairment.

#### c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all of its subsidiaries.

### 2 Profit on ordinary activities before taxation

The company and group has not traded in the period since incorporation and hence no profit and loss account has been presented.

The company had no employees during the period and none of the directors received any remuneration in respect of their services to the company. The audit fee was borne by the ultimate parent companies (see Note 7).

### 3 Investments

	Shares in subsidiary undertakings £
Company	
Cost	
At 14 September 2001	-
Additions	12,501
At 30 June 2002	<u>12,501</u>

On 26 April 2002, the Company acquired 100% of the ordinary share capital of Metronet Rail BCV Intermediate Holdings Limited for cash consideration of £1. Also on 26 April 2002, the Company acquired 99.99% of the ordinary share capital of Metronet Rail BCV Finance PLC for cash consideration of £12,499.75. The two companies acquired had no assets or liabilities at the date of acquisition and have not traded in the period to 30 June 2002.

There were no provisions for impairment in the period.



## Notes to the accounts (continued)

### 3. Investments (continued)

At 30 June 2002 the Company had investments in the share capital of the following subsidiary undertakings:

	Country of Incorporation	Principal activity	% Shareholding
Metronet Rail BCV Intermediate Holdings Limited	United Kingdom	Investment Holding Company	100%
Metronet Rail BCV Finance PLC	United Kingdom	Finance Company	99.99%

### 4 Called-up share capital

2002  
£

#### Authorised

5,000,000 ordinary shares of £1 each 5,000,000

#### Allotted, called-up and fully paid

12,600 ordinary shares of £1 each 12,600

1 ordinary share was allotted on 9 November 2001 for cash consideration of £1.

12,599 ordinary shares were allotted on 17 April 2002 for cash consideration of £12,599.

### 5 Analysis of cash flows for headings netted in the cash flow statement

Period to  
30 June 2002  
£

#### Acquisitions and disposals

Purchase of subsidiary undertakings (12,501)  
Net cash acquired with subsidiary undertakings 12,501

#### Financing

12,600 Ordinary shares issued at £1 each 12,600

## Notes to the accounts (continued)

### 6 Reconciliation of movements in shareholders' funds

Period to 30  
June 2002  
£

Issue of shares	12,600
Net additions to shareholders' funds	12,600
Opening shareholders' funds	-
Closing shareholders' funds	12,600

### 7 Ultimate parent companies

Metronet Rail BCV Holdings Limited's parent is a consortium of Atkins Metro Limited, Balfour Beatty Infrastructure Investments Limited, Bombardier Transportation (Holdings) UK Limited, SEEBOARD Metro Holdings Limited and Thames Water plc, with each investor holding a 20% interest.