

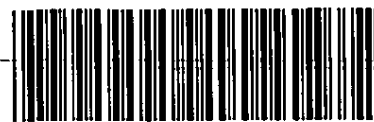
**CH Bolton (Holdings) Limited**

**Directors' report and financial  
statements**

**Registered number 4341657**

**31 March 2007**

**SATURDAY**



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**COMPANIES HOUSE**

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## Directors and advisers

**Directors** J C Elliot  
J D G Perks  
R A Eve (resigned 24 September 2007)

**Secretary** Maclay, Murray and Spens  
151 St Vincent Street  
Glasgow  
G2 5NJ

**Registered Office** One London Wall  
London  
EC2Y 5AB

**Auditors** KPMG LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

**Solicitors** Maclay, Murray & Spens  
151 St Vincent Street  
Glasgow  
G2 5NJ

**Bankers** Bank of Scotland  
Head Office  
The Mound  
Edinburgh  
EH1 1YZ

## Directors' report

The directors present their report and the audited financial statements for the financial year to 31 March 2007

### Principal activities

The principal activity of the company is the holding of an investment in CH Bolton Limited, a company whose principal activities are the provision of a primary school and community centre and associated facilities management for Bolton Council over a contract period of 25 years

### Results for the period

The profit and loss account for the year is set out at page 4. The directors consider the progress to date is satisfactory. Their view is supported by the successful financial restructuring that took place in May 2006. On 18 May 2006 the authorised share capital of CH Bolton Limited was increased, and it was agreed on the same date to redeem £85,000 of the subordinated debt. Also on the same date Dawn Construction Limited disposed of one-half of its 20% shareholding to PFI Infrastructure Finance Limited. The shareholders of CH Bolton (Holdings) Limited then subscribed 518,110 new ordinary shares in the company.

### Dividends

The directors do not propose to pay a dividend in respect of the financial year.

### Directors

The directors who held office during the year and subsequent to the year end are listed on page 1.

### Statement of directors' responsibilities

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 and applicable law (UK 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 period. In preparing these 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 the 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.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant information of which the Company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

Pursuant to a shareholders' resolution, the Company is not obliged to re-appoint its auditors annually, and KPMG LLP will therefore continue in office.

By order of the board

J C Elliot  
Director



27 November 2007



**KPMG LLP**

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG  
United Kingdom

**Independent auditors' report to the members of CH Bolton (Holdings) Limited**

We have audited the financial statements of CH Bolton (Holdings) Limited for the year ended 31 March 2007 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 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.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

  
**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

27 November 2007

**Profit and loss account**  
*for the year 31 March 2007*

	<i>Note</i>	<b>2007</b> £	<b>2006</b> £
<b>Turnover</b>		-	-
Cost of Sales		-	-
		<hr/>	<hr/>
<b>Gross Profit</b>		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Operating Profit</b>		-	-
Interest receivable	5	91,708	133,296
Amount written off investment		-	(272,000)
Interest payable	5	(91,708)	(133,295)
		<hr/>	<hr/>
<b>Result/(loss) on ordinary activities before taxation</b>	2	-	(271,999)
Tax on (loss)/profit on ordinary activities	6	-	-
		<hr/>	<hr/>
<b>Result/(loss) for the financial year</b>	12	-	(271,999)
		<hr/>	<hr/>

The result for the financial year has been derived from continuing activities

There have been no recognised gains or losses during the year other than as recorded in the profit and loss account

**Balance sheet**  
*at 31 March 2007*

	<i>Note</i>	2007 £	2006 £
<b>Fixed assets</b>			
Investment	7	1,468,128	760,108
<b>Current assets</b>			
Debtors	8	129,945	337,976
Cash at Bank		4	4
<b>Creditors</b> amounts falling due within one year	9	(23,781)	(333,920)
<b>Net current assets</b>		106,168	4,060
<b>Total assets less current liabilities</b>		1,574,296	764,168
<b>Creditors</b> amounts falling due after more than one year	10	(867,108)	(952,108)
<b>Net assets/(liabilities)</b>		707,188	(187,940)
<b>Capital and reserves</b>			
Called up share capital	11	5,981	800
Share premium account	12	969,147	79,200
Profit and loss account	12	(267,940)	(267,940)
<b>Shareholders' funds/(deficit)</b>	13	707,188	(187,940)

The financial statements were approved by the board of directors on 27 November 2007 and were signed on its behalf by

**J C Elliot**  
*Director*



## Notes

*(forming part of the financial statements)*

### 1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### *Basis of accounting*

The financial statements are prepared in accordance with the historical cost convention. The accounts are prepared on a going concern following the financial restructuring described in the Directors' Report on page 2

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

#### *Consolidation*

The financial statements contain information about CH Bolton (Holdings) Limited as an individual company and do not contain consolidated financial information as the parent of a subsidiary. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements

#### *Unlisted investments*

All unlisted investments are recorded at cost less any provision required for diminution in value

### 2 Employee information

The company had no employees during the year

### 3 Directors' emoluments

During the year no emoluments were received by the directors of the company (2006 nil)

### 4 Result/(loss) on ordinary activities before taxation

Auditors' remuneration in the year has been borne by the subsidiary undertaking

### 5 Interest Receivable/payable

	2007 £	2006 £
Interest receivable from group undertaking	91,708	133,295
Bank interest receivable	-	1
	<hr/> 91,708	<hr/> 133,296
	<hr/>	<hr/>
Interest payable on subordinated loan stock	91,708	133,295
	<hr/>	<hr/>



## Notes (continued)

### 6 Taxation

Analysis of charge in the year

	2007 £	2006 £
<i>UK corporation tax</i>		
Current tax on income for the year	-	-

*Factors affecting the tax charge for the current year*

The current tax charge for the year is the same as (2006 lower than) the standard rate of corporation tax in the UK 30% (2006 30%)

	2007 £	2006 £
<i>Current tax reconciliation</i>		
Result/(loss) on ordinary activities before tax	-	(271,999)
Current tax at 30% (2006 30%)	-	(81,600)
<i>Effects of</i>		
Amount written off investment	-	81,600
Total current tax charge (see above)	-	-

### 7 Fixed asset investment

	Ordinary Shares £	Loan Stock £	Total £
<i>Cost</i>			
At beginning of year	80,000	952,108	1,032,108
Additions	895,128	-	793,020
Redeemed	-	(85,000)	(85,000)
Transfer to debtors	-	(102,108)	-
At end of year	975,128	765,000	1,740,128
<i>Provisions</i>			
At beginning of year	(80,000)	(192,000)	(272,000)
Provided in year	-	-	-
At end of year	(80,000)	(192,000)	(272,000)
<i>Net book value</i>			
At 31 March 2007	895,128	573,000	1,468,128
At 31 March 2006	-	760,108	760,108

**Notes (continued)**

**7 Fixed asset investment (continued)**

The investment is in CH Bolton Limited, a company in which 100% of the ordinary share capital is held. CH Bolton Limited is incorporated within the United Kingdom. The principal activity of CH Bolton Limited is the provision of a primary school, a community centre and associated facilities management for Bolton Council over a contract period of 25 years.

**8 Debtors**

	2007 £	2006 £
Amounts owed by group undertaking	129,945	337,976

**9 Creditors: amounts falling due within one year**

	2007 £	2006 £
Amounts due to shareholding companies	23,281	333,420
Accruals and deferred income	500	500
	<u>23,781</u>	<u>333,920</u>

**10 Creditors: amounts falling due after more than one year**

	2007 £	2006 £
Subordinated loan stock	765,000	850,000
Interest payable on subordinated loan stock	102,108	102,108
	<u>867,108</u>	<u>952,108</u>

The subordinated loan stock carried interest at 14% per annum and matures in 2028.

**11 Called up share capital**

	2007 £	2006 £
<i>Authorised</i>		
598,110 (2006: 80,000) 'A' ordinary shares of £0.01 each	5,981	800
<i>Issued, called up and fully paid</i>		
At beginning of year – 80,000 'A' ordinary shares of £0.01 each	800	800
Issued during the year – 518,110 'A' ordinary shares of £0.01 each	5,181	-
At end of year – 598,110 'A' ordinary shares of £0.01 each	<u>5,981</u>	<u>800</u>

During the year the Company issued 518,110 'A' £0.01 ordinary shares for a consideration of £895,128.

## Notes (continued)

### 12 Share premium and reserves

	Share premium account £	Profit and loss account £
At beginning of year	79,200	(267,940)
Premium arising on issue of new shares	889,947	-
Result for the financial year	-	-
	<hr/>	<hr/>
At end of year	969,147	(267,940)
	<hr/>	<hr/>

### 13 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Result/(loss) for the financial year	-	(271,999)
	<hr/>	<hr/>
Net reduction in shareholders' funds	-	(271,999)
Opening shareholders' (deficit)/funds	(187,940)	84,059
Issue of new shares	895,128	-
	<hr/>	<hr/>
Closing shareholders' funds/(deficit)	707,188	(187,940)
	<hr/>	<hr/>

### 14 Related party transactions

PFI Infrastructure Finance Limited holds a 90% shareholding and Dawn Construction Limited holds a 10% shareholding in the company

CH Bolton (Holdings) Limited has a subordinated debt facility with the above shareholding companies. This amounts to £765,000 (2006 £850,000) and has been subscribed in proportion to the respective shareholdings. Capitalised interest accrued on these loans amounted to £102,108 (2006 £102,108) at the year end.

### 15 Contingent liabilities

The company has guaranteed the bank borrowings of its subsidiary, CH Bolton Limited, the amount outstanding at the year end was £8,572,205 (2006 £8,789,995).

### 16 Ultimate parent company

The Company is a subsidiary undertaking of I2 Holdco 2 Ltd, which is the ultimate parent company incorporated in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by PFI Infrastructure Company plc, incorporated in Isle of Man. The consolidated financial statements of this group are available to the public and may be obtained from IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP.