

BY Development Limited

**Directors' Report and Financial
Statements**

Registered number 06569580

31 December 2008

THURSDAY



LD5 "LVT8YFVP" 288
17/12/2009
COMPANIES HOUSE

Contents

Directors' report	3
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report to the members of BY Development Limited	5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in shareholder's funds	8
Notes	9 - 12

Directors' report

The directors present their first annual report and the audited financial statements for the 9 month period ended 31 December 2008.

Principal activities

The Company was incorporated on 17 April 2008 under the name of BY Development (Dagenham Library) Ltd. On 18 June 2009, the Company changed its name to BY Development Limited.

This report is the first annual report and therefore no comparatives are given.

The Company's core activity is to undertake the construction of buildings. During the period, the company started construction work on a mixed use development including a library and residential housing for the London Borough of Barking & Dagenham.

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Business review

The results for the period are set out in the profit and loss account on page 6.

Key performance indicators (KPIs)

The Company has modelled the anticipated financial outcome of the Project across its full term. The Company monitors actual financial performance against this anticipated performance. As at 31 December 2008, the Company's performance against this measure was satisfactory.

Proposed dividend

The directors do not recommend the payment of a dividend in respect of the period ended 31 December 2008.

Directors and directors' interests

The directors who held office during the period were as follows

L Christolomme	appointed 17 April 2008
T De Severac	appointed 17 April 2008

Since 31 December 2008, the following change to the Board has occurred:

S Slama-Royer	appointed 23 February 2009
---------------	----------------------------

The directors who held office at the end of the financial year had no interest in the ordinary shares of the company according at the register of directors' interest.

According to the register of director's interest, no rights to subscribe for shares in or debenture of the company were granted to any of the directors or their immediate families, or exercised by them, during financial year.

Supplier payment policy

It is the Company's policy to settle the terms of payment with suppliers when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment.

The amount due to the Company's trade creditors at 31 December 2008 represented 64 day's average daily purchases of goods and services received from those creditors, calculated in accordance with the Companies Act 1985, as amended by Statutory Instrument 1997/571.

Directors' report *(continued)*

Political and charitable contributions

The Company made no political or charitable contributions during the period.

Statement as to disclosure of information to auditors

Each person who is a director at the date of approval of this report confirms that so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and the director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given pursuant to section 234ZA of the Companies Act 1985 and should be interpreted in accordance therewith.

Statement of directors' responsibilities in respect of the Director's Report and the financial statements

The following statement, which should be read in conjunction with the auditor's statement of their responsibilities, is made with a view to distinguishing for the shareholder the respective responsibilities of the directors and of the auditor in relation to 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 the directors 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 judgments 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.

By order of the Board

Elizabeth House
39 York Road
London
SE1 7NQ



D. Pierce
Company Secretary

15 December 2009

Independent auditor's report to the members of BY Development Limited

We have audited the financial statements of BY Development Limited for the 9 month-period ended 31 December 2008 which comprise the profit and loss account, the balance sheet, reconciliation of movements in shareholder's deficit 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 5.

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 December 2008 and of its profit for the period 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

KPMG LLP
Chartered Accountants
Registered Auditor

15/12/09

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Profit and loss account

For the 9 month period ended 31 December 2008

	<i>Note</i>	9 month period ended 31 December 2008
		£000
Turnover	2	2,639
Cost of sales		(2,633)
		<hr/>
Gross profit		6
Administrative expenses		(8)
		<hr/>
Operating loss		(2)
Other interest receivable and similar income	6	11
		<hr/>
Profit on ordinary activities before taxation		9
Tax on profit on ordinary activities	7	(3)
		<hr/>
Profit for the financial period		6
		<hr/>

The results above are all derived from continuing operations. There are no recognised gains or losses other than the profit for the financial period.

Movements in reserves are shown in note 11.

The notes on pages 9 to 12 form part of these financial statements.

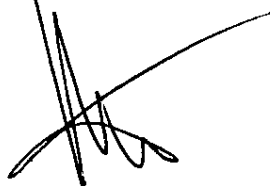
Balance sheet
at 31 December 2008

	<i>Note</i>	2008 £000
Current assets		
Debtors (including £nil due after more than one year)	8	1,881
Cash at bank and in hand		749
		<u>2,630</u>
Creditors: amounts falling due within one year	9	(2,624)
		<u>6</u>
Net current assets		6
		<u>6</u>
Net assets		6
		<u>6</u>
Capital and reserves		
Called up share capital	10	-
Profit and loss account	11	6
		<u>6</u>
Equity shareholder's funds		6
		<u>6</u>

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were approved by the Board of directors on 15 December 2009 and were signed on its behalf by:

Director



Reconciliation of movements in shareholder's funds

For the 9 month period ended 31 December 2008

	9 month period ended 31 December 2008
	£000
Profit for the financial period	6
	<hr/>
Net increase to shareholder's funds	6
Issue of share capital	-
	<hr/>
Closing shareholder's funds	6
	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

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 preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard ("FRS") 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

The Company is a wholly owned subsidiary and, as 100% of the company's voting rights are controlled within the group headed by Bouygues SA, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Bouygues SA, within which this Company is included, can be obtained from 32 Avenue Hoche, 75008 Paris, France.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing difference between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised once the outcome of the contract can be foreseen with reasonable certainty. Provision is made for any losses as soon as they are foreseen. The principal estimation technique used by the company in attributing profit on contracts to a particular accounting period is the preparation of forecasts on a contract by contract basis.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched to turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Amounts deferred on contracts are included in creditors and represent the excess of payments on account over turnover recognised and contract work in progress.

Turnover

Turnover is based on the progress of the work performed during the period. On long-term contracts the degree of progress is assessed on the basis of physical checks evaluating the amount of works completed.

Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits less amounts recognised in previous years.

Notes (continued)

2 Analysis of turnover

	9 month period ended 31 December 2008
	£000
Construction income	2,639
	<hr/>
	2,639
	<hr/>

All turnover and profit on ordinary activities before taxation originates in the United Kingdom.

3 Profit on ordinary activities before taxation

	9 month period ended 31 December 2008
	£000
<i>Profit on ordinary activities before taxation is stated after charging</i>	
Auditors' remuneration:	
Audit of these financial statements	5
Other services - taxation	3
	<hr/>
	8
	<hr/>

4 Remuneration of directors

Directors' emoluments for the period under review amounted to £nil.

5 Staff numbers and costs

The Company had no employees during the period under review.

Notes (continued)

6 Other interest receivable and similar income

	9 month period ended 31 December 2008
	£000
Bank interest	11

7 Taxation

	9 month period ended 31 December 2008
	£000
<i>UK corporation tax</i>	
Current tax on income for the period at the average UK standard rate of corporation tax of 28.5%	3
Total current tax	3
Tax on profit on ordinary activities	3

There are no significant factors that may affect the future current and total tax charges.

8 Debtors

	2008
	£000
Amounts recoverable on contracts	1,793
Trade debtors	75
Other debtors	13
	1,881

Notes (continued)

9 Creditors: amounts falling due within one year

	2008 £000
Trade creditors	588
Accruals	2,033
Corporation tax	3
	<hr/> 2,624 <hr/>

10 Called up share capital

	2008
<i>Authorised</i>	
Equity: Ordinary shares of £1 each	1
	<hr/>
<i>Allotted, called up and fully paid</i>	
Equity: Ordinary shares of £1 each	1
	<hr/>

11 Profit and loss account

	2008 £000
At beginning of period	-
Profit for the financial period	6
	<hr/>
At end of period	6 <hr/>

12 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company is a subsidiary undertaking of Bouygues (U.K.) Limited, a company incorporated in the United Kingdom.

The largest group in which the results of the company are consolidated is that headed by Bouygues SA. The consolidated financial statements of the group are available to the public and may be obtained from 32 Avenue Hoche, 75008, Paris, France.

The smallest group in which the results of the company are consolidated is that headed by Bouygues Construction SA. The consolidated financial statements of the group are available to the public and may be obtained from 1 Avenue Eugene Freyssinet, 78061 Saint Quentin-en-Yvelines, Cedex, France.