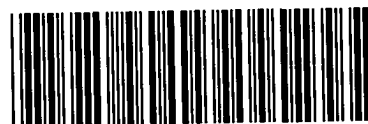


**PEABODY ENGINEERING (No. 2)
LIMITED**

Company Registration No. 109057

Annual report for year ended
31 March 2014

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Peabody Engineering (No. 2) Limited
Company Registration No 109057

Report of the Directors for the year ended 31 March 2014

The directors of Peabody Engineering (No. 2) Limited (the "Company") present their report and the financial statements for the year ended 31 March 2014.

Principal activities and review of the business

The company has not traded during the year and is expected to remain dormant.

Future developments

It is intended to wind down the group, consisting of Prestige Acquisitions Limited and its subsidiaries including the Company. This will be done by progressively dissolving or voluntarily liquidating the various entities within the group.

Going Concern

The directors intend to continue the process of the dissolution or liquidation of group entities, including the Company, during the next twelve months. Consequently the financial statements have not been prepared on a going concern basis as explained in the Statement of Accounting Policies on page 5.

Principal Risks and Uncertainties

The business risks affecting the Company are managed at group level and the Directors assess this as reasonable given that the Company is dormant.

Key Performance Indicators ('KPI's')

Specific KPI's are not considered relevant for the business given the current status as a dormant company.

Directors

The following directors held office during the year:

R G Lee
M A Livingstone

Post Balance Sheet Events

There have been no significant events after the balance sheet date.

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in the Statement of Accounting Policies on page 5, the directors do not believe that it is appropriate to prepare the financial statements on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 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.

Directors' indemnities

The Company has provided a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This indemnity is being provided for the company secretary and anyone who was a director of the Company at any time during the financial year and up to the date of approval of the directors' report.

By order of the board



R G Lee
Company Secretary
24 October 2014

Peabody Engineering (No. 2) Limited
Company Registration No 109057

Profit and loss account for the year to 31 March 2014

There have been no transactions creating profits or losses either during the year ended 31 March 2014 or during the year ended 31 March 2013.

Peabody Engineering (No. 2) Limited
Company Registration No 109057

Balance sheet as at 31 March 2014

	Notes	2014 £'000	2013 £'000
Current assets			
Debtors	3	2,385	2,385
Current liabilities			
Creditors		-	-
Net assets		2,385	2,385
Capital and reserves			
Called up share capital	4	103	103
Profit and loss account	5	2,282	2,282
Equity shareholders' funds	6	2,385	2,385

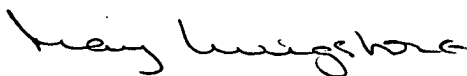
For the year ended 31 March 2014 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 3 to 6 were approved by the board of directors on 24 October 2014 and were signed on its behalf by:



M A Livingstone
Director

The notes on page 5 to 6 form part of these financial statements.

Peabody Engineering (No. 2) Limited
Company Registration No 109057

Notes to the Financial Statements - 31 March 2014

1 Statement of accounting policies

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

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention of accounting and in accordance with all applicable Accounting Standards and the Companies Act 2006.

The Company has taken advantage of the exemption from the requirement of FRS 1 to present a cash flow statement because it is considered to be a wholly owned subsidiary of Citigroup Capital UK Limited which prepares consolidated financial statements which are publicly available (see note 7).

Going Concern

Since it is the intention of the directors to proceed with the dissolution or liquidation of all entities within the group, including the Company, within twelve months from the date of signing these financial statements, these financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amount at which the net assets are included in the financial statements.

2 Related party transactions

The Company has taken advantage of the exemption set out in FRS 8 relating to subsidiary undertakings and has not disclosed transactions with other group companies.

3 Debtors

	2014 £'000	2013 £'000
Amounts owed by group companies	2,385	2,385

4 Share Capital

	2014 and 2013	
	Number 000	Value £'000
Ordinary shares of £1 each		
Authorised	120	120
Issued, called up and fully paid	103	103

5 Reserves

	Profit and loss account £'000
At 1 April 2013	2,282
At 31 March 2014	2,282

Peabody Engineering (No. 2) Limited
Company Registration No 109057

Notes to the Financial Statements - 31 March 2014

6 Reconciliation of movement in shareholders funds

	2014 £'000	2013 £'000
At 1 April	2,385	2,385
	-	-
At 31 March	2,385	2,385

7 Ultimate Parent Company

Name	Country of incorporation	Address from where group financial statements are obtainable
Immediate Parent Company Hamworthy Engineering Limited	England and Wales	Summit House, London Road Bracknell, Berkshire RG12 2AQ
Intermediate Holding Company Citigroup Capital UK Limited	England and Wales	Citigroup Centre, Canada Square Canary Wharf, London E14 5LB
Ultimate Parent Citigroup Inc.	United States	399 Park Avenue, New York NY 10043

The immediate parent of the Company is Hamworthy Engineering Limited. The ultimate parent undertaking of the Company for the purposes of s.1159 Companies Act 2006 is Prestige (No. 1) Limited, a company incorporated in the United Kingdom. However, the directors consider that Citigroup Capital UK Limited, which holds warrants to subscribe for ordinary shares in the Company's intermediate parent undertaking, Prestige Acquisitions Limited, a company incorporated in the United Kingdom, and which, on exercise, would make it the majority shareholder, has effective control of the Company.

Citigroup Capital UK Limited, a company registered in England and Wales, is ultimately 100% owned by Citigroup Inc. Therefore, the directors consider Citigroup Inc. to be the ultimate parent company.

Citigroup Capital UK Limited is the parent undertaking of the smallest and largest group that presents consolidated financial statements including the results of the Company. Copies of the financial statements for Citigroup Capital UK Limited are available from the Company Secretary, Citigroup Capital UK Limited, Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB.