

**Report of the Directors and  
Financial Statements  
for the year ended 31 December 2009  
for  
IPP Properties Limited  
Previously known as Babcock & Brown Properties Limited**

TUESDAY



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25/05/2010  
COMPANIES HOUSE

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**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

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**for the year ended 31 December 2009**

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**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Company Information**  
**for the year ended 31 December 2009**

**DIRECTORS:**

G J Frost  
M J Gregory  
D J Lees

**SECRETARY:**

D J Lees

**REGISTERED OFFICE:**

Two London Bridge  
London  
SE1 9RA

**REGISTERED NUMBER:**

03514470

**AUDITORS:**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom

# **IPP Properties Limited**

## **Previously known as Babcock & Brown Properties Limited**

### **Report of the Directors for the year ended 31 December 2009**

The directors present their report with the financial statements of the company for the year ended 31 December 2009

#### **CHANGE OF NAME**

The company passed a special resolution on 29 September 2009 changing its name from Babcock & Brown Properties Limited to IPP Properties Limited

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of a holding company for the UK group of which it is a member

#### **REVIEW OF BUSINESS**

Both the level of business and the year end financial position were in line with budgets and expectations

The Directors' Report has been prepared in accordance with the special provisions relating to small companies

#### **DIVIDENDS**

The profit for the financial year of £924,985 (2008 £1,044,287) has been transferred to reserves. The directors authorised the payment of an interim dividend of £926,022 (2008 £999,282)

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2009 to the date of this report

G J Frost  
M J Gregory  
D J Lees

#### **GOING CONCERN**

Having reviewed the Company's investment portfolio, including the associated future cash requirements, forecast receipts from the ultimate subsidiaries and the ability of the Group companies to settle their inter company balances with the Company, the Directors are satisfied that they have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future

Further details regarding the adoption of the going concern basis can be found in the accounting policies note to the financial statements

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 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 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

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Report of the Directors**  
**for the year ended 31 December 2009**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who is a director at the date of approval of this annual report confirms that

-so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

-the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**AUDITORS**

The auditors, Deloitte LLP, are deemed to be re-appointed in accordance with section 487 (2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**



D J Lees - Director

Date

13/5/10

# **Report of the Independent Auditors to the Shareholders of IPP Properties Limited**

We have audited the financial statements of IPP Properties Limited, for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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).

This report is made solely to the company's shareholders, 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of 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 Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

## **Opinion on 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 December 2009 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.

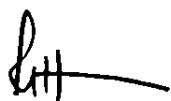
## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report.



Ross Howard (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom

Date 13 MAY 2010

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Profit and Loss Account**  
**for the year ended 31 December 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>		-	-
Administrative expenses		-	51,401
<b>OPERATING PROFIT</b>	3	-	51,401
Income from shares in group undertakings		<u>926,022</u>	<u>999,282</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>926,022</b>	1,050,683
Tax on profit on ordinary activities	4	<u>(1,037)</u>	<u>(6,396)</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><b>924,985</b></u>	<u><u>1,044,287</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

All items in the above statement derive from continuing operations

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Balance Sheet**  
**31 December 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Investments	6	16	16
<b>CURRENT ASSETS</b>			
Debtors	7	56,054	57,091
<b>CREDITORS</b>			
Amounts falling due within one year	8	(10,183)	(10,183)
<b>NET CURRENT ASSETS</b>		<u>45,871</u>	<u>46,908</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>45,887</u>	<u>46,924</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Profit and loss account	10	45,885	46,922
<b>SHAREHOLDERS' FUNDS</b>	12	<u>45,887</u>	<u>46,924</u>

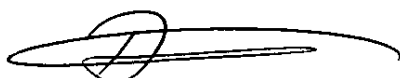
The financial statements were approved by the Board of Directors on  
signed on its behalf by

13/5/10

and were



M J Gregory - Director



D J Lees - Director



**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Notes to the Financial Statements**  
**for the year ended 31 December 2009**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with United Kingdom accounting standards

The accounting policies used have been consistently applied in the current and preceding year

**Going concern**

The Company exists to hold investments in its subsidiaries which themselves hold investments in subsidiaries that provide services under certain private finance agreements. Having reviewed the Company's investment portfolio, including the associated future cash requirements, forecast receipts from the ultimate subsidiaries and the ability of the Group companies to settle their inter company balances with the Company, the Directors are satisfied that they have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future and accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements

**Preparation of consolidated financial statements**

The financial statements contain information about IPP Properties Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, International Public Partnerships Limited, (Formerly Babcock & Brown, Public Partnerships Limited), a company registered in Guernsey

**Taxation**

Current tax, including United Kingdom Corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

In accordance with FRS 19 'Deferred Tax', 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 group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be 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 is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are not discounted

**Cash flow statement and related party disclosures**

The company is a wholly-owned subsidiary of International Public Partnerships Limited and is therefore included in its consolidated financial statements which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the International Public Partnerships Limited Group

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 December 2009**

**1 ACCOUNTING POLICIES - continued**

**Investments**

Investments are stated at cost less provision for any impairment in value

Income derived from investments represents dividends received from subsidiary undertakings

**2 STAFF COSTS**

There were no staff and no staff costs for the year ended 31 December 2009 nor for the year ended 31 December 2008

**3 OPERATING PROFIT**

The Directors received no salary, fees or other benefits in the performance of their duties in respect of their services to the Company (2008 £Nil)

Fees payable to the company's auditors for the audit of the company's annual accounts amount to £2,755 (2008 £2,755)

**4 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Current tax		
UK corporation tax	<b>1,037</b>	<b>6,396</b>
	<u><b>1,037</b></u>	<u><b>6,396</b></u>
Tax on profit on ordinary activities	<u><b>1,037</b></u>	<u><b>6,396</b></u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<b>926,022</b>	<b>1,050,683</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28.500%)	<b>259,286</b>	<b>299,445</b>
Effects of Unrelieved tax losses	<b>-</b>	<b>(8,254)</b>
Expenses not deductible for tax purposes	<b>(258,249)</b>	<b>(284,795)</b>
Current tax charge	<u><b>1,037</b></u>	<u><b>6,396</b></u>

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 December 2009**

**5 DIVIDENDS**

	2009 £	2008 £
Ordinary shares of £1 each		
Interim	<u>926,022</u>	<u>999,282</u>

**6 FIXED ASSET INVESTMENTS**

	Interest in group Shareholdings £
<b>Cost at:</b>	
1 January 2009 and 31 December 2009	<u>16</u>
<b>Net Book Value:</b>	
At 31 December 2009	<u>16</u>
At 31 December 2008	<u>16</u>

	Nature of Business	Ordinary shares of £1	Ownership
IPP (Derbyshire Courts) Limited, (formerly Babcock & Brown (Derbyshire Courts) Limited)	see below	2	100%
IPP Properties (Derbyshire Courts) Limited, (formerly Babcock & Brown Properties (Derbyshire Schools) Limited)	see below	2	100%
Derbyshire Courts (Property Co-Trustee) Limited	dormant	2	100%
Derbyshire Courts Limited	see below	2	100%
Derbyshire Schools Limited	see below	2	100%
Peak Courts Limited	see below	2	100%
IPP Properties (Rhys St Asaph) Limited, (formerly Babcock & Brown Properties (Ryhl St Asaph) Limited)	see below	1	100%
Rhyl St Asaph Limited	see below	1	100%
NW (BBP) Limited	see below	1	100%
STM (H) Limited	dormant	1	100%

The above companies (unless otherwise stated) are general or limited partners in partnerships which are involved in the development and construction of serviced premises

**7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £	2008 £
Amounts owed by group undertakings	<u>56,052</u>	57,089
Called up share capital not paid	<u>2</u>	<u>2</u>
	<u>56,054</u>	<u>57,091</u>

Amounts owed by group undertakings are interest free and repayable on demand. The 2008 intercompany payable/receivable figures have been reclassified from those disclosed last year to show intercompany balances gross rather than net in order to provide a comparative for the 2009 figures.

**8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £	2008 £
Amounts owed to group undertakings	<u>10,183</u>	<u>10,183</u>

**IPP Properties Limited**  
**Previously known as Babcock & Brown Properties Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 December 2009**

**8 CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Amounts owed to group undertakings represents £100 (2008 £100) in unpaid subordinated loan notes, the amount is interest free and repayable on demand, and £10,083 (2008 £10,083) in respect of corporation tax group relief

**9 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid  
Number Class

Nominal  
value  
£1

**2009**  
**£**

**2008**  
**£**

2 Ordinary

**2**

**2**

**10 RESERVES**

**Profit  
and loss  
account  
£**

At 1 January 2009  
Profit for the year  
Dividends

**46,922**  
**924,985**  
**(926,022)**

At 31 December 2009

**45,885**

**11 ULTIMATE PARENT COMPANY**

The directors regard Bootle Derby Holdings Limited, a company incorporated in England and Wales as the immediate parent company and International Public Partnerships Limited (formerly known as Babcock & Brown Public Partnerships Limited), a company registered in Guernsey as the ultimate controlling party. Copies of the consolidated financial statements of International Public Partnerships Limited can be obtained from Heritage International Fund Managers Limited, Polygon Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey, GY1 4HY

**12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2009</b> <b>£</b>	<b>2008</b> <b>£</b>
Profit for the financial year	<b>924,985</b>	1,044,287
Dividends	<b>(926,022)</b>	(999,282)
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(1,037)</b>	45,005
Opening shareholders' funds	<b>46,924</b>	1,919
<b>Closing shareholders' funds</b>	<b>45,887</b>	46,924