

Eastbrook Facilities (Holdings) Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2009

Registered Number 4309178

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Eastbrook Facilities (Holdings) Limited

Financial Statements

For the Year Ended 31 December 2009

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Eastbrook Facilities (Holdings) Limited

Company Information

Directors	Michael Joseph Ryan (Resigned 19 March 2009) John McDonagh (Resigned 19 March 2009) Victoria Bradley (Appointed 19 March 2009) BIIF Corporate Services Ltd (Appointed 19 March 2009)
Company secretary	Infrastructure Managers Limited
Registered office	5th Floor 100 Wood Street London EC2V 7EX
Auditor	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors PO Box 90 Erskine House 68-73 Queen Street Edinburgh EH2 4NH
Bankers	Lloyds TSB Bank Plc 71 Lombard Street London EC3P 3BS
Solicitors	CMS Cameron McKenna LLP Mitre House 160 Aldersgate Street London EC1A 4DD

Eastbrook Facilities (Holdings) Limited

The Directors' Report

For the Year Ended 31 December 2009

The Directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 December 2009

Principal activities and business review

The company is the holding company of Eastbrook Facilities Limited ("EFL"), a property developer and investor with the sole purpose of developing and operating a headquarters office investment in Cambridge for the Department of Environment, Food and Rural Affairs ("DEFRA") (formerly MAFF) under the UK Government's Private Finance Initiative

In addition to holding 100% of EFL's ordinary shares, the company provides it with a subordinated loan currently standing at £6.1m

Results and dividends

The profit for the year amounted to £300,000 (2008 profit £nil)

Particulars of dividends paid are detailed in note 7 to the financial statements

The results for the year are in line with budget. The Directors anticipate that the Company will perform in line with budget in the coming financial year

Key performance indicators

The performance of the company from a cash perspective is assessed on a six monthly basis by the testing of the covenants of the senior debt provider. The key indicator being the debt service cover ratio. The company has been performing well and has been compliant with the covenants laid out in the loan agreement

Financial instruments

The Company has no significant financial instruments

Directors

The Directors who served the Company during the year and up to the date of this report are listed on page 1

Disclosure of information to the auditors

So far as each of the Directors is aware, there is no relevant information that has not been disclosed to the Company's auditors and each of the Directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors have been made aware of that information

Eastbrook Facilities (Holdings) Limited

The Directors' Report *(continued)*

For the Year Ended 31 December 2009

Auditor

A resolution to re-appoint PricewaterhouseCoopers LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006

The Directors' report was approved by the board on 27 April 2010 and signed on its behalf by



Simon Peck
For and on behalf of
Infrastructure Managers Limited
Company Secretary
Edinburgh

Company Registration Number 4309178

Eastbrook Facilities (Holdings) Limited

Statement of Directors' Responsibilities

For the Year Ended 31 December 2009

The Directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the year ended 31 December 2009. 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,
- 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 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.

In so far as the Directors are aware

- there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors' responsibilities were approved by the board on 27 April 2010 and signed on its behalf by


Victoria Bradley
Director

Eastbrook Facilities (Holdings) Limited

Independent auditor's report to the members of Eastbrook Facilities (Holdings) Limited

We have audited the financial statements of Eastbrook Facilities (Holdings) Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

This report, including the opinions, has been prepared for and only for the Company's Members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Eastbrook Facilities (Holdings) Limited

Independent auditor's report to the members of Eastbrook Facilities (Holdings) Limited *(continued)*

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

Martin Cowie

Martin Cowie (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

27 April 2010

Eastbrook Facilities (Holdings) Limited

Profit and Loss Account

For the Year Ended 31 December 2009

	Note	2009 £	2008 £
Turnover		—	—
Gross profit		—	—
Administrative expenses		—	—
Operating profit		—	—
Income from shares in group undertakings	3	300,000	—
Interest receivable	4	687,271	658,658
Interest payable and similar charges	5	(687,271)	(658,658)
Profit on ordinary activities before taxation		300,000	—
Tax on profit on ordinary activities	6	—	—
Profit for the financial year	13	300,000	—

The Company has no recognised gains and losses other than those included in the profit above, which all relate to continuing activities, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

The notes on pages 9 to 13 form part of these financial statements

Eastbrook Facilities (Holdings) Limited

Balance Sheet

as at 31 December 2009

	Note	2009 £	2008 £
Fixed assets			
Investments	8	<u>1,220,100</u>	<u>1,220,100</u>
Current assets			
Debtors due within one year	9	344,988	333,730
Debtors due after one year	9	<u>6,085,885</u>	<u>5,932,985</u>
		6,430,873	6,266,715
Creditors: Amounts falling due within one year	10	<u>(344,988)</u>	<u>(333,730)</u>
Net current assets		<u>6,085,885</u>	<u>5,932,985</u>
Total assets less current liabilities		<u>7,305,985</u>	<u>7,153,085</u>
Creditors: Amounts falling due after more than one year	11	<u>(6,085,885)</u>	<u>(5,932,985)</u>
Net assets		<u>1,220,100</u>	<u>1,220,100</u>
Capital and reserves			
Share capital	12	1,220,100	1,220,100
Profit and loss account		—	—
Equity shareholder's funds	14	<u>1,220,100</u>	<u>1,220,100</u>

These financial statements on pages 7 to 13 were approved by the Directors and authorised for issue on 27 April 2010, and are signed on their behalf by


Victoria Bradley
Director

The notes on pages 9 to 13 form part of these financial statements

Eastbrook Facilities (Holdings) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

1 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 have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The financial statements have been prepared on a going concern basis as the Company's financial projections indicate that sufficient funds will be generated to allow on-going obligations to be met as they fall due.

Cash flow statement

The Company is a wholly owned subsidiary of BIIF Holdco Limited and is included in the consolidated financial statements of BIIF Holdco Limited, 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.

Fixed asset investments

Investments are shown at cost less any provision for diminution in value.

Group financial statements

The Company is exempt from preparing group financial statements as it and its subsidiary are included by consolidation in the consolidated financial statements of BIIF Holdco Limited. Copies of the consolidated financial statements of BIIF Holdco Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.

2 Particulars of employees and directors

Auditors' remuneration is borne by Lanterndew Limited. The Directors did not receive any remuneration from the Company during the year (2008: £nil). There were no employees in the financial year other than the directors (2008: nil).

3 Income from shares in group undertakings

	2009	2008
	£	£
Income from group undertakings	300,000	—

4 Interest receivable

	2009	2008
	£	£
Interest from group undertakings	687,271	658,658

Eastbrook Facilities (Holdings) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

5 Interest payable and similar charges

	2009	2008
	£	£
Interest payable on loans due to immediate parent	<u>687,271</u>	<u>658,658</u>

6 Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 28%)

	2009	2008
	£	£
Profit on ordinary activities before taxation	<u>300,000</u>	<u>-</u>
Profit on ordinary activities by rate of tax	84,000	-
Tax exempt income	<u>(84,000)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

7 Dividends

Equity dividends

	2009	2008
	£	£
Paid during the year		
Interim dividend of £0.25 per share	<u>300,000</u>	<u>-</u>

8 Investments

	Interest in subsidiary £
Cost	
At 1 January 2009 and 31 December 2009	<u>1,220,100</u>
Net book value	
At 31 December 2009	<u>1,220,100</u>
At 31 December 2008	<u>1,220,100</u>

The Company owns 100% of the ordinary share capital of Eastbrook Facilities Limited, a Company registered in England. The results of the Company for the year ended 31 December 2009 were as follows: Profit for the financial year £604,120 (2008: £224,384), Capital and reserves £5,385,485 (2008: £5,081,365).

Eastbrook Facilities (Holdings) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

9 Debtors

	2009	2008
	£	£
Amounts owed by group undertakings	<u>6,430,873</u>	<u>6,266,715</u>

The debtors above include the following amounts falling due after more than one year

	2009	2008
	£	£
Loans due from subsidiary	<u>6,085,885</u>	<u>5,932,985</u>

Amounts owed by group undertakings consist of amounts due from subsidiary

Loans due from subsidiary is a subordinated loan due from Eastbrook Facilities Limited, which carries an annual interest rate of 11.25%. The loan is due to be repaid on completion of the DEFRA contract, which is on a 30 year term with tenant optional breaks after years 15, 20 and 25. The coupon on the principal amount accrues daily and is payable in cash on 30 June and 31 December each year. Interest not settled by cash on these dates is added to the principal and the coupon accrues on this uplifted amount in the next interest year. Interest settled using this mechanism in the period was £152,900 (2008 £156,495). The investment sum was advanced under a subordinated loan agreement and is therefore unsecured, and would rank alongside ordinary creditors in the event of a winding up of the subsidiary.

10 Creditors: Amounts falling due within one year

	2009	2008
	£	£
Amounts owed to group undertakings	<u>344,988</u>	<u>333,730</u>

Amounts owed to group undertakings consists of an amount due to immediate parent company

The amounts owed to group undertakings are trading balances, are not interest bearing and are not repayable on demand.

Eastbrook Facilities (Holdings) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

11 Creditors: Amounts falling due after more than one year

	2009	2008
	£	£
Amounts owed to group undertakings	<u>6,085,885</u>	<u>5,932,985</u>

Amounts owed to group undertakings consist of loans due to immediate parent

This is a subordinated loan due to Eastbrook Facilities (Holdings) 2 Limited which carries an annual interest rate of 11.25%. The loan is due to be repaid on completion of the DEFRA contract, which is on a 30 year term with tenant optional breaks after years 15, 20 and 25. The coupon on the principal amount accrues daily and is payable in cash on 30 June and 31 December each year. Interest not settled by cash on these dates is added to the principal and the coupon accrues on this uplifted amount in the next interest period. Interest settled using this mechanism in the year was £152,900 (2008: £156,495). The investment sum was advanced under a subordinated loan agreement and is therefore unsecured, and would rank alongside ordinary creditors in the event of a winding up.

12 Share capital

Authorised share capital:

	2009	2008
	£	£
90,000 'A' ordinary shares of £1 each	90,000	90,000
1,130,100 'B' ordinary shares of £1 each	<u>1,130,100</u>	<u>1,130,100</u>
	<u>1,220,100</u>	<u>1,220,100</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
'A' ordinary shares of £1 each	90,000	90,000	90,000	90,000
'B' ordinary shares of £1 each	<u>1,130,100</u>	<u>1,130,100</u>	<u>1,130,100</u>	<u>1,130,100</u>
	<u>1,220,100</u>	<u>1,220,100</u>	<u>1,220,100</u>	<u>1,220,100</u>

13 Profit and loss account

	2009	2008
	£	£
Profit for the financial year	300,000	—
Equity dividends	<u>(300,000)</u>	<u>—</u>
Balance carried forward	<u>—</u>	<u>—</u>

Eastbrook Facilities (Holdings) Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

14 Reconciliation of movements in shareholders' funds

	2009	2008
	£	£
Profit for the financial year	300,000	—
Equity dividends	(300,000)	—
Net addition to shareholders' funds	—	—
Opening shareholders' funds	1,220,100	1,220,100
Closing shareholders' funds	1,220,100	1,220,100

15 Related party disclosures

The directors have considered the provisions contained within FRS 8 and are satisfied that there are no further disclosures required

16 Ultimate parent company

The immediate parent company is Eastbrook Facilities Holdings 2 Limited, a company registered in England and Wales

The ultimate parent and controlling entity is Barclays Integrated Infrastructure Fund LP. Barclays Integrated Infrastructure Fund LP is owned by a number of investors, with no one investor having individual control.