

# **Bannockburn Holdings Limited**

**Directors' Report and Financial  
Statements**

**For the Period Ended 31 December 2008**

**Registered Number SC195478**

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# **Bannockburn Holdings Limited**

## **Financial Statements**

**For the Period from 1 April 2008 to 31 December 2008**

<b>Contents</b>	<b>Pages</b>
Company information	1
Directors' report	2 to 3
Statement of directors' responsibilities	4
Independent auditors' report to the members	5 to 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 to 12

# **Bannockburn Holdings Limited**

## **Company Information**

<b>Directors</b>	John Christian Elliot (Resigned 19 March 2009) Donald Archibald McKinnon Alan Campbell Ritchie
<b>Company secretary</b>	Infrastructure Managers Limited
<b>Registered office</b>	2nd Floor 11 Thistle Street Edinburgh EH2 1DF
<b>Auditor</b>	PricewaterhouseCoopers LLP Chartered Accountants and Registered Auditors PO Box 90 Erskine House 68-73 Queen Street Edinburgh EH2 4NH
<b>Bankers</b>	Bank of Scotland The Mound Edinburgh EH1 1YZ
<b>Solicitors</b>	McGrigors Princess Exchange 1 Earl Grey Street Edinburgh EH3 9AQ

# **Bannockburn Holdings Limited**

## **The Directors' Report**

### **For the Period from 1 April 2008 to 31 December 2008**

The Directors have pleasure in presenting their report and the financial statements of the Company for the period from 1 April 2008 to 31 December 2008.

#### **Principal activities and business review**

The principal activity of the Company is that of holding company to Bannockburn Homes Limited. The principal activity of the subsidiary company is the provision of housing under a PFI contract for the Defence Housing Executive.

#### **Future developments**

The Directors intend for the business to continue to hold its interests in the investments described above.

#### **Results and dividends**

The profit for the period amounted to £1,000,000 (2008: profit £900,000).

Particulars of dividends paid and proposed are detailed in note 5 to the financial statements.

#### **Key performance indicators**

The performance of the Company from a cash perspective is assessed six monthly on a group 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 group loan agreement.

#### **Financial instruments**

The Company has no significant financial instruments.

#### **Directors**

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

# **Bannockburn Holdings Limited**

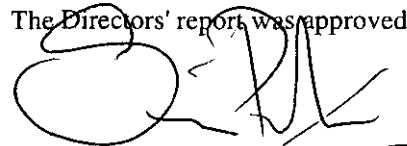
## **The Directors' Report** *(continued)*

**For the Period from 1 April 2008 to 31 December 2008**

### **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 385 of the Companies Act 1985.

The Directors' report was approved by the board on 04/09/2009 and signed on its behalf by:



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

# **Bannockburn Holdings Limited**

## **Statement of Directors' Responsibilities**

**For the Period from 1 April 2008 to 31 December 2008**

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 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 period ended 31 December 2008. In preparing these financial statements, the Directors are required to:

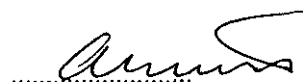
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 1985. 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 04/01/2009.. and signed on its behalf by:



Alan Campbell Ritchie  
Director

# **Bannockburn Holdings Limited**

## **Independent auditor's report to the members of Bannockburn Holdings Limited**

We have audited the financial statements of Bannockburn Holdings Limited for the period ended 31 December 2008 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.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **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.

# **Bannockburn Holdings Limited**

## **Independent auditor's report to the members of Bannockburn Holdings Limited (continued)**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom 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.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Edinburgh

4 September 2009



# Bannockburn Holdings Limited

## Profit and Loss Account

For the Period from 1 April 2008 to 31 December 2008

		Period from 1 Apr 08 to 31 Dec 08	Year to 31 Mar 08
	Note	£	£
Turnover		—	—
Gross profit		—	—
Administrative expenses		—	—
Operating profit		—	—
Income from shares in group undertakings	3	1,000,000	900,000
Profit on ordinary activities before taxation		1,000,000	900,000
Tax on profit on ordinary activities	4	—	—
Profit for the financial period	10	1,000,000	900,000

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 period stated above and their historical cost equivalents.

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

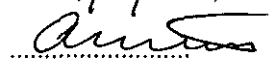
# Bannockburn Holdings Limited

## Balance Sheet

as at 31 December 2008

	Note	31 Dec 08 £	31 Mar 08 £
<b>Fixed assets</b>			
Investments	6	<u>50,000</u>	<u>50,000</u>
<b>Current assets</b>			
Debtors due within one year	7	<u>711,657</u>	<u>711,657</u>
<b>Creditors: Amounts falling due within one year</b>	8	<u>(711,657)</u>	<u>(711,657)</u>
<b>Net current assets</b>		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>50,000</u>	<u>50,000</u>
<b>Capital and reserves</b>			
Share capital	9	<u>50,000</u>	<u>50,000</u>
Profit and loss account		<u>-</u>	<u>-</u>
<b>Equity shareholder's funds</b>	11	<u>50,000</u>	<u>50,000</u>

These financial statements on pages 7 to 12 were approved by the Directors and authorised for issue on 04/01/2009, and are signed on their behalf by:

  
Alan Campbell Ritchie  
Director

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

# **Bannockburn Holdings Limited**

## **Notes to the Financial Statements**

### **For the Period from 1 April 2008 to 31 December 2008**

#### **1. Accounting policies**

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

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 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 Directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the Company is small.

##### **Fixed asset investments**

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

##### **Group financial statements**

In accordance with the exemptions available under s228 of the Companies Act 1985 the Company has not prepared consolidated 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 I2 Holdco 2 Limited. Copies of the consolidated financial statements of I2 Holdco 2 Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

These financial statements therefore present information about the Company as a individual undertaking and not about its group.

##### **Auditor fees**

Auditors remuneration in the current and previous year has been borne by a fellow group undertaking.

#### **2. Particulars of employees and directors**

The Directors did not receive any remuneration from the Company during the year (31 Mar 08: £nil). There were no employees in the financial year other than the directors (31 Mar 08: nil).

#### **3. Income from shares in group undertakings**

	<b>Period from</b>	
	<b>1 Apr 08 to</b>	<b>Year to</b>
	<b>31 Dec 08</b>	<b>31 Mar 08</b>
	<b>£</b>	<b>£</b>
Income from group undertakings	<b>1,000,000</b>	<b>900,000</b>

# Bannockburn Holdings Limited

## Notes to the Financial Statements

### For the Period from 1 April 2008 to 31 December 2008

#### 4. Taxation on ordinary activities

##### Factors affecting current tax charge

	Period from 1 Apr 08 to 31 Dec 08 £	Year to 31 Mar 08 £
Profit on ordinary activities before taxation	<u>1,000,000</u>	<u>900,000</u>
Profit on ordinary activities by rate of tax	280,000	270,000
Utilisation of tax losses	<u>(280,000)</u>	<u>(270,000)</u>
Total current tax	<u>-</u>	<u>-</u>

#### 5. Dividends

##### Equity dividends

	Period from 1 Apr 08 to 31 Dec 08 £	Year to 31 Mar 08 £
Paid during the period/year:		
Interim Dividends £20 per ordinary share (2008: £18)	<u>1,000,000</u>	<u>900,000</u>

#### 6. Investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 April 2008 and 31 December 2008	<u>50,000</u>
<b>Net book value</b>	
At 31 December 2008	<u>50,000</u>
At 31 March 2008	<u>50,000</u>

The fixed asset investment represents the entire issued share capital of Bannockburn Homes Limited, a company registered in Scotland. The principal activity of Bannockburn Homes Limited is the provision of housing under a PFI contract for the Defence Housing Executive. The results of the company for the year ended 31 December 2008 were as follows:

	31 Dec 08 £
Results for the financial year	£750,091
Capital and Reserves	£17,752,518

# Bannockburn Holdings Limited

## Notes to the Financial Statements

For the Period from 1 April 2008 to 31 December 2008

### 7. Debtors

	31 Dec 08	31 Mar 08
	£	£
Amounts owed by group undertakings	<u>711,657</u>	<u>711,657</u>

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

### 8. Creditors: Amounts falling due within one year

	31 Dec 08	31 Mar 08
	£	£
Amounts owed to group undertakings	<u>711,657</u>	<u>711,657</u>

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

### 9. Share capital

#### Authorised share capital:

	31 Dec 08	31 Mar 08
	£	£
60,000 Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>

#### Allotted, called up and fully paid:

	31 Dec 08		31 Mar 08	
	No	£	No	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

### 10. Profit and loss account

	Period from		Year to	
	1 Apr 08 to		31 Mar 08	
	31 Dec 08			
	£		£	
Profit for the financial period	1,000,000		900,000	
Equity dividends	(1,000,000)		(900,000)	
Balance carried forward	<u>-</u>		<u>-</u>	

# Bannockburn Holdings Limited

## Notes to the Financial Statements

### For the Period from 1 April 2008 to 31 December 2008

#### 11. Reconciliation of movements in shareholders' funds

	31 Dec 08	31 Mar 08
	£	£
Profit for the financial period	1,000,000	900,000
Equity dividends	(1,000,000)	(900,000)
Net addition to shareholders' funds	–	–
Opening shareholders' funds	50,000	50,000
Closing shareholders' funds	50,000	50,000

#### 12. Related party disclosures

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

Disclosure of related party transactions that the Directors have with the group which is consolidated at I2 Holdco 2 Limited are included in the accounts of that entity.

#### 13. Ultimate parent company

The immediate parent is Bannockburn Group Limited. 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.