

# **Eastbrook Facilities Limited**

## **Annual Report and Financial Statements**

**For the Year Ended 31 December 2010**

**Registered Number 3817295**



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# **Eastbrook Facilities Limited**

## **Financial Statements**

**For the Year Ended 31 December 2010**

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# **Eastbrook Facilities Limited**

## **Company Information**

|                          |  |
|--------------------------|--|
| <b>Directors</b>         | Victoria Bradley<br>BIIF Corporate Services Limited  |
| <b>Company secretary</b> | Infrastructure Managers Limited  |
| <b>Registered office</b> | 5th Floor<br>100 Wood Street<br>London<br>EC2V 7EX   |
| <b>Auditor</b>           | PricewaterhouseCoopers LLP<br>Chartered Accountants and Statutory Auditors<br>PO Box 90<br>Erskine House<br>68-73 Queen Street<br>Edinburgh<br>EH2 4NH |
| <b>Bankers</b>           | Lloyds TSB Bank Plc<br>71 Lombard Street<br>London<br>EC3P 3BS   |
| <b>Solicitors</b>        | CMS Cameron McKenna LLP<br>Mitre House<br>160 Aldersgate Street<br>London<br>EC1A 4DD  |

# **Eastbrook Facilities Limited**

## **The Directors' Report**

### **For the Year Ended 31 December 2010**

The Directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 December 2010

#### **Principal Activities and Business Review**

The company trades as 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") under the UK Government's Private Finance Initiative

#### **Results and Dividends**

The profit for the year, after taxation, amounted to £538,920 (2009 profit £519,646) The Directors have not recommended a dividend (2009 £300,000)

The profit for the year will be transferred to reserves.

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**

Details of the Company's financial risk management objectives and policies are included in note 1 to the accounts The fair values of the financial instruments are included in note 15 to the accounts

#### **Directors**

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

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# **Eastbrook Facilities Limited**

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

**For the Year Ended 31 December 2010**

### **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 23/6/11 . and signed on its behalf by



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

Company Registration Number: 3817295

# **Eastbrook Facilities Limited**

## **Statement of Directors' Responsibilities**

### **For the Year Ended 31 December 2010**

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 2010. 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 ~~23 June 2011~~ and signed on its behalf by



Nigel Middleton  
for and on behalf of  
BIIF Corporate Services Limited  
Director

# **Eastbrook Facilities Limited**

## **Independent auditor's report to the members of Eastbrook Facilities Limited**

We have audited the financial statements of Eastbrook Facilities Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, 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 and express an opinion on 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 2010 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 Limited**

### **Independent auditor's report to the members of Eastbrook Facilities 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

*24 June 2011*



# Eastbrook Facilities Limited

## Profit and Loss Account

### For the Year Ended 31 December 2010

|  | Note | 2010<br>£          | 2009<br>£   |
|--|------|--------------------|-------------|
| <b>Turnover</b>                                      | 2    | <b>3,639,397</b>   | 3,583,954   |
| Cost of sales  |      | <b>(1,049,352)</b> | (960,067)   |
| <b>Gross profit</b>                                  |      | <b>2,590,045</b>   | 2,623,887   |
| Administrative expenses                              |      | <b>(99,619)</b>    | (121,456)   |
| Other operating income                               | 3    | <b>133,333</b>     | 133,333     |
| <b>Operating profit</b>                              |      | <b>2,623,759</b>   | 2,635,764   |
| Interest receivable                                  | 5    | <b>14,149</b>      | 30,965      |
| Interest payable and similar charges                 | 6    | <b>(1,911,378)</b> | (1,945,000) |
| <b>Profit on ordinary activities before taxation</b> |      | <b>726,530</b>     | 721,729     |
| Tax on profit on ordinary activities                 | 7    | <b>(187,610)</b>   | (202,083)   |
| <b>Profit for the financial year</b>                 | 18   | <b>538,920</b>     | 519,646     |

The Company has no recognised gains and losses other than those included in the profit above, which all relate to continuing activities

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 10 to 18 form part of these financial statements

# **Eastbrook Facilities Limited**

## **Statement of Total Recognised Gains and Losses**

### **For the Year Ended 31 December 2010**

|  | <b>2010</b>      | <b>2009</b> |
|--|------------------|-------------|
|  | <b>£</b>         | <b>£</b>    |
| Profit for the financial year                                    | <b>538,920</b>   | 519,646     |
| Unrealised loss on revaluation of<br>Investments brought forward | <b>(150,000)</b> | —           |
| Total gains and losses recognised since the last annual report   | <b>388,920</b>   | 519,646     |

The notes on pages 10 to 18 form part of these financial statements

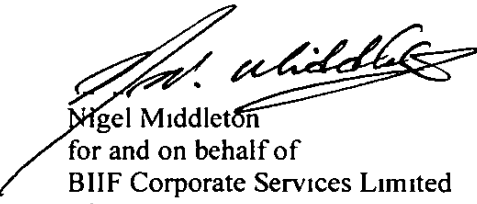
# Eastbrook Facilities Limited

## Balance Sheet

as at 31 December 2010

|  | Note | 2010<br>£           | 2009<br>£           |
|--|------|---------------------|---------------------|
| <b>Fixed assets</b>  |      |                     |                     |
| Investments  | 9    | <u>28,500,000</u>   | <u>28,650,000</u>   |
| <b>Current assets</b>  |      |                     |                     |
| Debtors due within one year                                    | 10   | 686,100             | 675,401             |
| Cash at bank   |      | <u>1,719,042</u>    | <u>1,840,175</u>    |
|  |      | <u>2,405,142</u>    | <u>2,515,576</u>    |
| <b>Creditors: Amounts falling due within one year</b>          | 11   | <u>(1,616,693)</u>  | <u>(1,585,036)</u>  |
| <b>Net current assets</b>                                      |      | <u>788,449</u>      | <u>930,540</u>      |
| <b>Total assets less current liabilities</b>                   |      | <u>29,288,449</u>   | <u>29,580,540</u>   |
| <b>Creditors: Amounts falling due after more than one year</b> | 12   | <u>(23,171,379)</u> | <u>(24,040,000)</u> |
|  |      | <u>6,117,070</u>    | <u>5,540,540</u>    |
| <b>Provisions for liabilities</b>                              |      |                     |                     |
| Deferred taxation  | 14   | <u>(427,139)</u>    | <u>(239,529)</u>    |
| <b>Net assets</b>  |      | <u>5,689,931</u>    | <u>5,301,011</u>    |
| <b>Capital and reserves</b>                                    |      |                     |                     |
| Share capital  | 16   | 1,320,000           | 1,320,000           |
| Investments revaluation reserve                                | 17   | 533,239             | 683,239             |
| Profit and loss account  | 18   | <u>3,836,692</u>    | <u>3,297,772</u>    |
| <b>Equity shareholder's funds</b>                              | 19   | <u>5,689,931</u>    | <u>5,301,011</u>    |

These financial statements on pages 7 to 18 were approved by the Directors and authorised for issue on ~~23 June 2011~~ , and are signed on their behalf by

  
Nigel Middleton  
for and on behalf of  
BIIF Corporate Services Limited  
Director

The notes on pages 10 to 18 form part of these financial statements

# **Eastbrook Facilities Limited**

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2010**

#### **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.

##### **Turnover**

Turnover which excludes value added tax represents the invoiced value of the unitary charge earned in relation to the provision of the building and services under the contract between the Company and the Department of Environment, Food and Rural Affairs ("DEFRA").

##### **Investment properties**

Investment properties are accounted for in accordance with Statement of Standard Accounting Practice No 19. Investment properties are revalued annually and the aggregate surplus or deficit is transferred to or from a revaluation reserve except where a deficit is deemed to represent a permanent impairment in the value of the property, in which event it is charged to the profit and loss account, and no amortisation is provided in respect of long leasehold investment properties.

Although the Companies Act 2006 would normally require the systematic annual amortisation of fixed assets, the directors believe that this policy of not providing amortisation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes in that current value, are of prime importance rather than a calculation of systematic annual amortisation. If this departure from the Act had not been made, the loss for the financial year would have been increased by amortisation. Amortisation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be separately identified or quantified.

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 1 Accounting policies *(continued)*

##### Deferred taxation

Deferred tax is fully provided on timing differences recognised by the balance sheet date when the Company has an obligation to pay more or less tax in the future as a result of these timing differences. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. The Company has not adopted a policy of discounting deferred tax assets and liabilities, as permitted by Financial Reporting Standard No 19 (Deferred Tax).

##### Financial Instruments

The company uses derivative financial instruments to manage exposures to fluctuations in interest rates. Amounts payable and receivable in respect of these derivatives are recognised as adjustments to interest expense over the term of the contracts.

#### 2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the Company. An analysis of turnover is given below.

|                | 2010             | 2009             |
|----------------|------------------|------------------|
|                | £                | £                |
| United Kingdom | <u>3,639,397</u> | <u>3,583,954</u> |

#### 3 Other operating income

|   | 2010           | 2009           |
|---|----------------|----------------|
|   | £              | £              |
| Land contribution amortised in the year | <u>133,333</u> | <u>133,333</u> |

#### 4 Particulars of employees and directors

The Directors did not receive any remuneration from the Company during the year (2009: £nil). There were no employees in the financial year other than the directors (2009: nil).

#### 5 Interest receivable

|                          | 2010          | 2009          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Bank interest receivable | <u>14,149</u> | <u>30,965</u> |

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 6 Interest payable and similar charges

|                                    | 2010             | 2009             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Interest payable on bank borrowing | 1,171,736        | 1,202,749        |
| Interest due to parent company     | 684,660          | 687,271          |
| Amortisation of loan issue costs   | 54,982           | 54,980           |
|                                    | <u>1,911,378</u> | <u>1,945,000</u> |

#### 7 Taxation on ordinary activities

##### (a) Analysis of charge in the year

|  | 2010           | 2009           |
|--|----------------|----------------|
|  | £              | £              |
| Deferred tax                                   |                |                |
| Origination and reversal of timing differences | <u>187,610</u> | <u>202,083</u> |

##### (b) 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% (2009 - 28%)

|   | 2010           | 2009            |
|---|----------------|-----------------|
|   | £              | £               |
| Profit on ordinary activities before taxation         | <u>726,530</u> | <u>721,729</u>  |
| Profit on ordinary activities by rate of tax          | 203,428        | 202,084         |
| Capital allowances for year in excess of depreciation | (152,108)      | (190,135)       |
| Utilisation of tax losses                             | (48,142)       | -               |
| Sundry tax adjusting items                            | <u>(3,178)</u> | <u>(11,949)</u> |
| Total current tax (note 7(a))                         | <u>-</u>       | <u>-</u>        |

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 7 Taxation on ordinary activities (continued)

##### (c) Factors that may affect future tax charges

During the year, as a result of the change in the UK main corporation tax rate from 28% to 27% that was substantively enacted on 20 July 2010 and that will be effective from 1 April 2011, the relevant deferred tax balances have been re-measured. This change has reduced the deferred tax liability at the balance sheet date, and so has increased profit in the year, by £15,820.

Further reductions to the UK corporation tax rate were announced in the March 2011 Budget. These changes had not been substantively enacted at the balance sheet and therefore are not recognised in these financial statements. Firstly, a change in the rate to 26% with effect from 1 April 2011 was substantively enacted on 29 March 2011. The effect of this change, if it applied to the deferred tax balance at 31 December 2010, would be to reduce the deferred tax liability by £15,820.

Secondly, further changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 23% by 1 April 2014. The overall effect of the further changes from 26% to 23%, if these applied to the deferred tax balance at 31 December 2010, would be to reduce the deferred tax liability by £47,460.

#### 8 Dividends

##### Equity dividends

|   | 2010<br>£ | 2009<br>£ |
|---|-----------|-----------|
| Paid during the year                              |           |           |
| Interim dividend of £nil per share (2009 : £0.23) | —         | 300,000   |

#### 9 Investments

|                          | Leasehold<br>land and<br>buildings<br>£ |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| At 1 January 2010        | 28,650,000                              |
| Revaluations             | (150,000)                               |
| At 31 December 2010      | 28,500,000                              |
| <b>Net book value</b>    |   |
| At 31 December 2010      | 28,500,000                              |
| At 31 December 2009      | 28,650,000                              |

The leasehold land and buildings were revalued by Rushton International on the basis of market value at 31 December 2010.

# **Eastbrook Facilities Limited**

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2010**

#### **10 Debtors**

|                                | <b>2010</b>           | <b>2009</b>           |
|--------------------------------|-----------------------|-----------------------|
|                                | <b>£</b>              | <b>£</b>              |
| Trade debtors                  | <b>352,660</b>        | 343,693               |
| Other debtors                  | <b>1,541</b>          | 341                   |
| Prepayments and accrued income | <b>331,899</b>        | 331,367               |
|                                | <b><u>686,100</u></b> | <b><u>675,401</u></b> |

#### **11 Creditors: Amounts falling due within one year**

|                                    | <b>2010</b>             | <b>2009</b>             |
|------------------------------------|-------------------------|-------------------------|
|                                    | <b>£</b>                | <b>£</b>                |
| Bank loans                         | <b>735,365</b>          | 711,466                 |
| Trade creditors                    | <b>228,287</b>          | 156,175                 |
| Amounts owed to group undertakings | <b>428,123</b>          | 344,988                 |
| Other taxation                     | <b>11,172</b>           | 6,941                   |
| Other creditors                    | <b>–</b>                | 75,000                  |
| Deferred income                    | <b>133,333</b>          | 133,333                 |
| Accruals                           | <b>80,413</b>           | 157,133                 |
|                                    | <b><u>1,616,693</u></b> | <b><u>1,585,036</u></b> |

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 Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 12 Creditors: Amounts falling due after more than one year

|                                    | 2010              | 2009              |
|------------------------------------|-------------------|-------------------|
|                                    | £                 | £                 |
| Bank loans                         | 16,252,159        | 16,987,448        |
| Amounts owed to group undertakings | 6,085,885         | 6,085,885         |
|                                    | <u>22,338,044</u> | <u>23,073,333</u> |
| Deferred income                    | 833,335           | 966,667           |
|                                    | <u>23,171,379</u> | <u>24,040,000</u> |

a) The bank loans are secured by a charge over the company's shares. The loans are repayable under an instalment scheme whereby small repayments are made in the first few years of the loans. The full amount of loans drawdown at 31 December 2010 was £17,386,122 (2009: £18,152,491). Issue costs of £398,598 (2009: £453,580) have been set off against total loan drawdowns in line with Financial Reporting Standard No 4. The loans are repayable in March 2018.

b) The subordinated loan, which bears a coupon of 11.25%, was issued to its immediate parent company Eastbrook Facilities Holdings Limited. 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 £571,089 (2009: £152,900). The amount is charged to the profit and loss account as interest payable (see note 6). 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.

c) In Notes 11 and 12 there are shown deferred income creditors totalling £966,668. These relate to an unamortised balance of a land contribution of £1,499,999 which was as a contribution towards the capital costs of the works. This contribution was deferred and will be amortised over the life of the project and is analysed as follows:

|                           | 2010           | 2009             |
|---------------------------|----------------|------------------|
|                           | £              | £                |
| Opening balance           | 1,100,001      | 1,233,333        |
| Amortised during the year | (133,333)      | (133,333)        |
| Closing balance           | <u>966,668</u> | <u>1,100,001</u> |

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 13 Creditors - capital instruments

Creditors include loans which is due for repayment as follows

|   | 2010<br>£         | 2009<br>£         |
|---|-------------------|-------------------|
| Amounts repayable                                   |                   |                   |
| In one year or less or on demand                    | 735,365           | 711,466           |
| In more than one year but not more than two years   | 767,990           | 735,365           |
| In more than two years but not more than five years | 3,103,294         | 2,741,103         |
| In more than five years                             | 18,466,760        | 19,596,863        |
|   | <u>23,073,409</u> | <u>23,784,797</u> |

#### 14 Deferred taxation

The movement in the deferred taxation provision during the year was

|  | 2010<br>£      | 2009<br>£      |
|--|----------------|----------------|
| Provision brought forward                                | 239,529        | 37,446         |
| Profit and loss account movement arising during the year | 187,610        | 202,083        |
| Provision carried forward                                | <u>427,139</u> | <u>239,529</u> |

The provision for deferred taxation consists of the tax effect of timing differences in respect of

|   | 2010<br>£      | 2009<br>£      |
|---|----------------|----------------|
| Excess of taxation allowances over depreciation on fixed assets | 1,242,315      | 1,136,218      |
| Tax losses available  | (761,824)      | (838,183)      |
| Short-term timing differences                                   | (53,352)       | (58,506)       |
|   | <u>427,139</u> | <u>239,529</u> |

#### 15 Financial risk management objectives and policies

Due to the nature of the Company's business, the only financial risks the directors consider relevant to this Company is credit, cash flow, interest rate and liquidity risk. The credit and cash flow risks are not considered significant as the client is a quasi governmental organisation.

##### *Interest rate risk*

The financial risk management objectives of the company are to ensure that financial risks are mitigated by the use of financial instruments where they cannot be addressed by means of contractual provisions. The company uses interest rate swaps to reduce its exposure to interest rate movements. Financial instruments are not used for speculative purposes.

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 15 Financial risk management objectives and policies (continued)

##### *Liquidity risk*

The Company's liquidity risk is principally managed through financing the Company by means of long term borrowings

##### *Fair values of financial assets and liabilities*

Set out below is a comparison by category of carrying amounts and fair values of all of the company's financial instruments that are carried in the financial statements at other than fair values

|                                     | 2010                    |                 | 2009                    |                 |
|-------------------------------------|-------------------------|-----------------|-------------------------|-----------------|
|                                     | Carrying<br>amount<br>£ | Fair value<br>£ | Carrying<br>amount<br>£ | Fair value<br>£ |
| <b><i>Financial liabilities</i></b> |                         |                 |                         |                 |
| Long-term borrowing                 | (17,220,238)            | (14,674,402)    | (17,698,914)            | (15,800,287)    |
| Interest rate swap                  | —                       | (2,545,836)     | —                       | (1,898,627)     |

The fair values of the fixed rate borrowing and the interest rate swap have been calculated by discounting the fixed cash flows at the prevailing interest rates at the year end

#### 16 Share capital

##### **Authorised share capital:**

|                                      | 2010<br>£        | 2009<br>£        |
|--------------------------------------|------------------|------------------|
| 1,320,000 Ordinary shares of £1 each | <u>1,320,000</u> | <u>1,320,000</u> |

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

|                            | 2010             |                  | 2009             |                  |
|----------------------------|------------------|------------------|------------------|------------------|
|                            | No               | £                | No               | £                |
| Ordinary shares of £1 each | <u>1,320,000</u> | <u>1,320,000</u> | <u>1,320,000</u> | <u>1,320,000</u> |

#### 17. Investments revaluation reserve

|  | 2010<br>£        | 2009<br>£      |
|--|------------------|----------------|
| Balance brought forward                        | 683,239          | 683,239        |
| Net decrease in value of investment properties | <u>(150,000)</u> | <u>—</u>       |
| Balance carried forward                        | <u>533,239</u>   | <u>683,239</u> |

# Eastbrook Facilities Limited

## Notes to the Financial Statements

### For the Year Ended 31 December 2010

#### 18 Profit and loss account

|                               | 2010             | 2009             |
|-------------------------------|------------------|------------------|
|                               | £                | £                |
| Balance brought forward       | 3,297,772        | 3,078,126        |
| Profit for the financial year | 538,920          | 519,646          |
| Equity dividends              | —                | (300,000)        |
| Balance carried forward       | <u>3,836,692</u> | <u>3,297,772</u> |

#### 19 Reconciliation of movements in shareholders' funds

|  | 2010             | 2009             |
|--|------------------|------------------|
|  | £                | £                |
| Profit for the financial year                  | 538,920          | 519,646          |
| Equity dividends                               | —                | (300,000)        |
| Net decrease in value of investment properties | (150,000)        | —                |
| Net addition to shareholders' funds            | <u>388,920</u>   | <u>219,646</u>   |
| Opening shareholders' funds                    | <u>5,301,011</u> | <u>5,081,365</u> |
| Closing shareholders' funds                    | <u>5,689,931</u> | <u>5,301,011</u> |

#### 20 Related party disclosures

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

#### 21 Ultimate parent company

The immediate parent company is Eastbrook Facilities Holdings 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