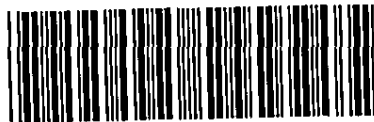


Kintra Limited
Annual Report and Financial Statements
For the Year Ended 31 December 2009

Registered Number 3403304

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Kintra Limited

Financial Statements

For the Year ended 31 December 2009

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Kintra Limited

Company Information

Directors

Michael Joseph Ryan (Resigned 19 March 2009)
John McDonagh (Resigned 19 March 2009)
Laurence Clarke (Appointed 19 March 2009)
BIIF Corporate Services Limited (Appointed 19 March 2009)

Company secretary

Infrastructure Managers Limited

Registered office

Fifth 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

Royal Bank of Scotland Plc
PO Box 412
62/63 Threadneedle Street
London
EC2R 8LA

Kintra 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 was formed as a special purpose vehicle to provide Gwent Healthcare NHS Trust with serviced hospital facilities under an operating agreement signed 13 February 1998

Results and Dividends

The profit for the year, after taxation, amounted to £65,329 (2008 profit £97,216)

Particulars of dividends paid are detailed in note 9 to the financial statements

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 Directors believe that the analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the performance or position of the Company

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 17 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

Auditor

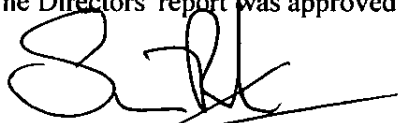
A resolution to re-appoint PricewaterhouseCoopers LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006

Kintra Limited

The Directors' Report *(continued)*

For the Year ended 31 December 2009

The Directors' report was approved by the board on 24/06/10 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'S. Peck', with a long horizontal line extending from the end of the signature.

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

Company Registration Number 3403304

Kintra 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 24/06/10 and signed on its behalf by



Laurence Clarke
Director

Kintra Limited

Independent auditor's report to the members of Kintra Limited

We have audited the financial statements of Kintra 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.

Kintra Limited

Independent auditor's report to the members of Kintra 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 2010

Kintra Limited

Profit and Loss Account

For the Year ended 31 December 2009

	Note	2009 £	2008 £
Turnover	2	1,477,650	1,472,127
Cost of sales		(1,247,684)	(1,204,807)
Gross Profit		<u>229,966</u>	<u>267,320</u>
Administrative expenses		(65,188)	(93,045)
Other operating income	3	240,000	240,000
Operating Profit	4	<u>404,778</u>	<u>414,275</u>
Interest receivable	6	21,005	72,183
Interest payable and similar charges	7	(247,744)	(260,750)
Profit on Ordinary Activities Before Taxation		<u>178,039</u>	<u>225,708</u>
Tax on profit on ordinary activities	8	(112,710)	(128,492)
Profit for the Financial Year	19	<u>65,329</u>	<u>97,216</u>

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 17 form part of these financial statements

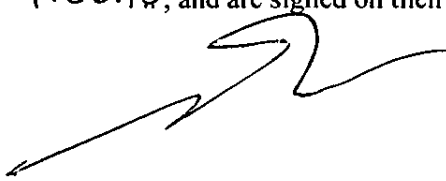
Kintra Limited

Balance Sheet

as at 31 December 2009

	Note	2009 £	2008 £
Fixed Assets			
Tangible assets	10	<u>5,694,552</u>	<u>6,070,607</u>
Current Assets			
Debtors due within one year	11	<u>520,481</u>	<u>510,433</u>
Cash at bank		<u>1,201,495</u>	<u>1,449,201</u>
		<u>1,721,976</u>	<u>1,959,634</u>
Creditors: Amounts falling due within one year	13	<u>(1,261,041)</u>	<u>(1,147,122)</u>
Net Current Assets		<u>460,935</u>	<u>812,512</u>
Total Assets Less Current Liabilities		<u>6,155,487</u>	<u>6,883,119</u>
Creditors: Amounts falling due after more than one year	14	<u>(5,605,786)</u>	<u>(6,133,496)</u>
		<u>549,701</u>	<u>749,623</u>
Provisions for Liabilities			
Deferred taxation	16	<u>(528,365)</u>	<u>(543,616)</u>
Net assets		<u>21,336</u>	<u>206,007</u>
Capital and Reserves			
Share capital	18	<u>10,000</u>	<u>10,000</u>
Profit and loss account	19	<u>11,336</u>	<u>196,007</u>
Equity Shareholder's Funds	20	<u>21,336</u>	<u>206,007</u>

These financial statements on pages 7 to 17 were approved by the Directors and authorised for issue on 24/06/10, and are signed on their behalf by



Laurence Clarke
Director

The notes on pages 9 to 17 form part of these financial statements

Kintra 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.

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 Gwent Healthcare NHS Trust.

Fixed assets

Assets under construction are shown at cost. In determining the relevant accounting treatment of the transactions, consideration is given to the provisions included in FRS 5 and HM Treasury guidance. On the basis of this, fixed asset rather than finance lease accounting is considered to be the appropriate accounting treatment because the transaction results in the Company retaining substantially all the risks and rewards of ownership of the asset.

Interest and other directly attributable finance costs in respect of loans for the purpose of constructing assets, are capitalised as part of the cost of constructing the buildings up to the date of practical completion. Subsequent interest is charged to the profit and loss account.

Depreciation

On completion of the project asset, depreciation is charged to the profit and loss account to write off the asset over its useful economic life at the following rate per annum:

Leasehold Premises	- 4.00% straight line
Office Equipment	- 25.00% reducing balance
Office Furniture	- 25.00% reducing balance

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

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 FRS 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.

Capital Instruments

Shares are included in shareholders' funds. Other debt instruments, which contain an obligation to repay, are classified as liabilities. In accordance with FRS 4 (Capital Instruments), the costs associated with the issue of capital instruments, other than shares, are charged to the Profit and Loss account over the life of the instrument, at a constant rate based on the carrying amount.

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.

	2009 £	2008 £
United Kingdom	<u>1,477,650</u>	<u>1,472,127</u>

3 Other operating income

	2009 £	2008 £
Other operating income	<u>240,000</u>	<u>240,000</u>

Other operating income consists of the amortisation of deferred income as outlined in note number 14.

4 Operating profit

Operating profit is stated after charging

	2009 £	2008 £
Depreciation of owned fixed assets	<u>376,055</u>	<u>376,186</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

5 Profit on ordinary activities before taxation

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).

6 Interest receivable

	2009	2008
	£	£
Bank interest receivable	<u>21,005</u>	<u>72,183</u>

7 Interest payable and similar charges

	2009	2008
	£	£
Interest payable on bank borrowing	232,844	245,850
Amortisation of loan issue costs	<u>14,900</u>	<u>14,900</u>
	<u>247,744</u>	<u>260,750</u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2008: 28.50%)	127,961	136,019
Over/under provision in prior year	-	(43)
Total current tax	<u>127,961</u>	<u>135,976</u>
Deferred tax		
Origination and reversal of timing differences	<u>(15,251)</u>	<u>(7,484)</u>
Tax on profit on ordinary activities	<u>112,710</u>	<u>128,492</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

8 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 28.50%)

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>178,039</u>	<u>225,708</u>
Profit on ordinary activities by rate of tax	49,851	64,327
Expenses not deductible for tax purposes	62,858	64,076
Capital allowances for year in excess of depreciation	15,252	7,616
(Over)/under provision in prior year	-	(43)
Total current tax (note 8(a))	<u>127,961</u>	<u>135,976</u>

9 Dividends

Equity dividends

	2009 £	2008 £
Paid during the year		
Dividend £25 per share (2008 - £nil)	<u>250,000</u>	<u>-</u>

10 Tangible fixed assets

	Leasehold Premises £	Office Equipment £	Office Furniture £	Total £
Cost				
At 1 January 2009 and 31 December 2009	<u>9,391,193</u>	<u>29,075</u>	<u>9,606</u>	<u>9,429,874</u>
Depreciation				
At 1 January 2009	3,322,202	27,596	9,469	3,359,267
Charge for the year	375,651	304	100	376,055
At 31 December 2009	<u>3,697,853</u>	<u>27,900</u>	<u>9,569</u>	<u>3,735,322</u>
Net Book Value				
At 31 December 2009	<u>5,693,340</u>	<u>1,175</u>	<u>37</u>	<u>5,694,552</u>
At 31 December 2008	<u>6,068,991</u>	<u>1,479</u>	<u>137</u>	<u>6,070,607</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

11 Debtors

	2009	2008
	£	£
Trade debtors	505,656	494,290
Prepayments and accrued income	14,825	16,143
	<u>520,481</u>	<u>510,433</u>

12 Cash at bank and in hand

Cash at bank and in hand at the year-end includes £579,255 (2008 £339,084) which is held in a sinking fund account. Under the terms of the Operating Agreement and the bank loan agreement this account can only be used for capital expenditure to be incurred in maintaining the premises.

13 Creditors: Amounts falling due within one year

	2009	2008
	£	£
Trust capital contribution	240,000	240,000
Bank loans	287,709	192,725
Trade creditors	105,413	106,129
Corporation tax	101,654	82,007
Other taxation	21,412	14,806
Other creditors	–	83,945
Accruals and deferred income	504,853	427,510
	<u>1,261,041</u>	<u>1,147,122</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

14 Creditors: Amounts falling due after more than one year

	2009 £	2008 £
Bank loans	2,216,278	2,503,988
Trust capital contribution	3,389,508	3,629,508
	<u>5,605,786</u>	<u>6,133,496</u>

The amount shown as bank loan is stated net of the arrangement fee of £228,467 (2008 £243,367), which is being amortised over the period of the loan

The bank loan is secured by a bond and floating charge over all the assets, rights and undertakings of the Company. It is repayable in variable quarterly instalments and has a final repayment date in April 2025.

The interest rate on the bank loan is 8.25% per annum.

Deferred income

	2009 £	2008 £
Trust capital contribution		
Opening balance	3,869,508	4,109,508
Amortised during the year	(240,000)	(240,000)
Closing balance	<u>3,629,508</u>	<u>3,869,508</u>

An advance payment of service fees was received from Glen Harfen NHS Trust with the successful completion of the building contract on 14 February 2000 and the acceptance by the Trust that the Hospital meets their output requirements. It is company policy to release this balance to the profit and loss account on a straight line basis over the period of the arrangement. Of the total sum outstanding, £240,000 will be released in the financial year ended 31 December 2009.

15 Creditors - capital instruments

Creditors include loans which are due for repayment as follows:

	2009 £	2008 £
Amounts repayable		
In one year or less or on demand	287,709	192,725
In more than one year but not more than two years	293,156	287,709
In more than two years but not more than five years	913,139	896,202
In more than five years	1,009,983	1,320,077
	<u>2,503,987</u>	<u>2,696,713</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

16 Deferred taxation

The movement in the deferred taxation provision during the year was

	2009 £	2008 £
Provision brought forward	543,616	551,100
Profit and loss account movement arising during the year	(15,251)	(7,484)
Provision carried forward	<u>528,365</u>	<u>543,616</u>

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

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	528,365	543,616
	<u>528,365</u>	<u>543,616</u>

17 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.

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.

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

17 Financial risk management objectives and policies (continued)

	2009		2008	
	Carrying amount £	Fair value £	Carrying amount £	Fair value £
Financial liabilities				
Long-term borrowing	(2,732,455)	(2,386,848)	(2,940,080)	(2,538,525)
Interest rate swap	—	(345,607)	—	(401,555)

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

18 Share capital

Authorised share capital:

	2009 £	2008 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

19 Profit and loss account

	2009 £	2008 £
Balance brought forward	196,007	98,791
Profit for the financial year	65,329	97,216
Equity dividends	(250,000)	—
Balance carried forward	<u>11,336</u>	<u>196,007</u>

20 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	65,329	97,216
Equity dividends	(250,000)	—
Net (reduction)/addition to shareholders' funds	(184,671)	97,216
Opening shareholders' funds	206,007	108,791
Closing shareholders' funds	<u>21,336</u>	<u>206,007</u>

Kintra Limited

Notes to the Financial Statements

For the Year ended 31 December 2009

21 Related party disclosures

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

22 Ultimate parent company

The immediate parent company is Anavon 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