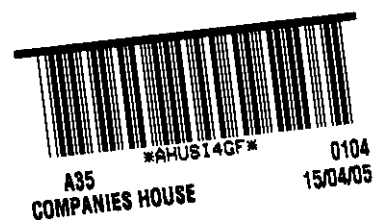


**BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2004**



**REGISTERED NUMBER: 4170097**

# **BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004**

## **CONTENTS**

<b>DIRECTORS' REPORT</b>	<b>1</b>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>3</b>
<b>PROFIT AND LOSS ACCOUNT</b>	<b>4</b>
<b>BALANCE SHEET</b>	<b>5</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>6</b>

# **BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED**

## **DIRECTORS' REPORT**

**For the year ended 31 December 2004**

The Directors present their report together with the audited financial statements for the year ended 31 December 2004.

### **Principal Activity and Review of business**

The principal activity of the Company is to act as the General Partner of the Barclays European Infrastructure Fund, an investment fund established to invest in public and private infrastructure projects, in which capacity it has delegated its management responsibilities to Barclays Private Equity Limited. The Directors do not envisage that there will be any substantial change in the foreseeable future in the operations of the Company.

### **Results and dividends**

During the period the Company made neither profit nor loss (2003: Nil). The Directors do not recommend the payment of a dividend (2003 : Nil).

### **Directors**

The Directors of the Company, who served during the period, together with their dates of appointment and resignation, where appropriate, are as shown below:

Barcosec Limited	(resigned 8 March 2005)
Barometers Limited	(resigned 8 March 2005)
P G Cunningham	
C J Elliott	
T S Lamb	

Graeme White, who served as a Board member since May 2001, died on 4 March 2005.

### **Directors' Interests in shares (as defined by section 325 of the Companies Act 1985)**

The Directors have no interest in the shares of the Company. The Directors are also Directors of Barclays Directors Limited and their interests in the ordinary shares of Barclays PLC, the ultimate holding company are disclosed in the accounts of that company.

### **Statement of Directors' responsibilities**

The following statement, which should be read in conjunction with the Auditors' Report set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on pages 4 to 9

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- that all the accounting standards which they consider to be applicable have been followed, and
- that the financial statements have been prepared on a going concern basis.

# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## DIRECTORS' REPORT (continued)

For the year ended 31 December 2004

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

### Auditors

On 28 June 2001 an Elective Resolution was passed by the shareholders of the Company pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint Auditors annually. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

BY ORDER OF THE BOARD



C J Elliott  
Director

21st March 2005.

# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

We have audited the financial statements on pages 4 to 9, which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention, and the accounting policies set out on page 6.

### Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of Directors' responsibilities on pages 1 to 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 if, in our opinion, the Directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' report.

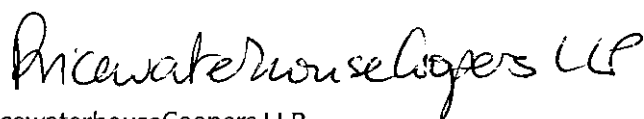
### Basis of audit opinion

We conducted our audit in accordance with auditing standards 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 judgements 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.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom 21 March 2005

# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	2003 £
Turnover	3	2,765,184	1,780,487
Administrative expenses	4	<u>(2,765,184)</u>	<u>(1,780,487)</u>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
Retained Profit for the financial year		<u>-</u>	<u>-</u>

All recognised gains and losses are included in the profit and loss account above.

Turnover and profit on ordinary activities are derived from continuing activities.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 6 to 9 form an integral part of these financial statements.

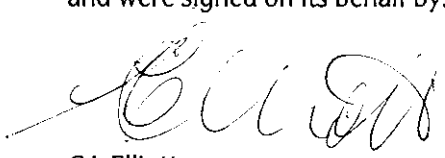
# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2004

	Note	2004 £	2003 £
<b>CURRENT ASSETS</b>			
Debtors falling due within one year	7	1,829,819	1,274,685
Creditors: Amounts falling due within one year	8	<u>(1,829,817)</u>	<u>(1,274,683)</u>
<b>NET CURRENT ASSETS</b>		<u>2</u>	<u>2</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2</u>	<u>2</u>
<b>NET ASSETS</b>		<u>2</u>	<u>2</u>
 <b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2	2
<b>SHAREHOLDERS' FUNDS</b>		<u>2</u>	<u>2</u>

The notes on pages 6 to 9 form an integral part of these financial statements.

The financial statements on pages 4 to 9 were approved by the Board of Directors on 21 March 2005 and were signed on its behalf by:



C J Elliott  
Director

# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with the applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force.

#### Income recognition

Turnover is recognised on an accruals basis.

Turnover comprises a fixed annual priority share of net income and capital gains of the Barclays European Infrastructure Fund, which the Company receives in return for services supplied as General Partner of the Fund. The General Partner's fixed annual priority share of net income and capital gains is based on the total amounts committed to the Barclays European Infrastructure Fund and is payable quarterly in arrears. Where sufficient net income and capital gains are not available to satisfy the General Partner's share payable an interest free loan is made to the General Partner to enable payment of the full amount owing. The amount of General Partner's share unsatisfied is carried forward to subsequent periods as a first charge on net income and capital gains arising in those periods. No loan made to the General Partner is ever recoverable from it, other than by a corresponding allocation of net income and gains to the General Partner which should be applied to discharge an equivalent amount of such loan.

#### Administrative Expenses

Administrative expenses represent management fees payable and are recognised on an accruals basis.

#### Deferred taxation

Deferred tax is provided in full in respect of timing differences that have originated but not reversed at the balance sheet date, except where the likelihood of a deferred tax liability crystallising in the foreseeable future is remote. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not provided on permanent differences. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recoverable. Deferred tax is not discounted.

### 2. CASH FLOW STATEMENT

The Company's ultimate holding company has adopted the provisions of Financial Reporting Standard 1 ("FRS 1") revised 1996, Cash Flow Statements. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

### 3. TURNOVER

	2004	2003
	£	£
Priority share of income of the Barclays European Infrastructure Fund	2,765,184	1,780,487



# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. ADMINISTRATIVE EXPENSES

Barclays European Infrastructure Limited has delegated the responsibility for managing the Barclays European Infrastructure Fund to Barclays Private Equity Limited, to whom it paid a management fee of £2,765,184 (2003: £1,780,487).

### 5. DIRECTORS' EMOLUMENTS, EMPLOYEES, AND AUDIT FEES

The Directors did not receive any emoluments in respect of their services to the Company during the year (2003 nil).

The Company had no employees during 2004 or 2003.

Auditors' remuneration is borne by Barclays Capital Services Limited and recharged to Barclays Private Equity Limited, the Company's immediate parent company, by way of a management fee.

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
Current tax:		
United Kingdom taxation on income for the year	(192,755)	192,755
Total current tax (charge)/credit for the year (see below)	(192,755)	192,755
Deferred tax (note 8 & 9):		
Origination and reversal of timing differences	192,755	(192,755)
Tax on profit on ordinary activities	-	-

The tax charge is based on an effective UK corporation tax rate of 30%.

The current tax (charge)/credit is explained in the following table:

	2004 £	2003 £
Profit on ordinary activities before taxation	-	-
Tax charge at average UK corporation tax rate of 30%	-	-
Prior year adjustments	(192,755)	-
Timing differences	-	192,755
Total current tax (charge)/credit for the year	(192,755)	192,755

### 7. DEBTORS

	2004 £	2003 £
Trade debtors	1,829,819	1,081,930
Receivable from group companies	-	192,755
	1,829,819	1,274,685

# BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	2004 £	2003 £
Trade creditors	1,829,817	1,081,928
Deferred taxation	-	192,755
	<u>1,829,817</u>	<u>1,274,683</u>

### 9. DEFERRED TAX

	2004 £	2003 £
At 1 January	(192,755)	-
(Charge)/credit to profit and loss account (Note 6)	<u>192,755</u>	<u>(192,755)</u>
At 31 December	-	(192,755)
The deferred tax provision relates to:	2004 £'000	2003 £'000
Short term timing differences - Liability	<u>-</u>	<u>(192,755)</u>

### 10. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 11. CONTRACTS WITH DIRECTORS AND CONNECTED PERSONS

During the year there were no loans to Directors or connected persons or other transactions, arrangements or agreements that require disclosure in accordance with the Companies Act 1985.

### 12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures, not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays Bank PLC, the consolidated financial statements of which are publicly available.

The Company is a General Partner of the Barclays European Infrastructure Fund. All transactions with this entity are disclosed under Note 3. Any outstanding balances are disclosed as Trade Creditors (Note 8) or Debtors (Note 7). The outstanding balance receivable at the year end is £1,829,819 (2003: £1,081,930).

Barclays Private Equity Limited, a fellow group company, is the Manager of the Barclays European Infrastructure Fund, of which Barclays European Infrastructure Limited is the General Partner. All transactions with this entity are disclosed under Note 4. Any outstanding balances are disclosed as Trade Creditors (Note 8) or Debtors (Note 7). The outstanding balance payable at the year end is £1,829,817 (2003: £1,081,928).

# **BARCLAYS EUROPEAN INFRASTRUCTURE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **12. RELATED PARTY TRANSACTIONS (continued)**

The Directors are not aware of any other transactions undertaken by the Company with a related party other than with group companies.

### **13. PARENT UNDERTAKING AND ULTIMATE PARENT COMPANY**

The parent undertaking of the smallest group that presents group accounts is Barclays Private Equity Limited. The ultimate parent company and controlling party is Barclays PLC, which is the parent company of the largest group that presents group accounts. Barclays Private Equity Limited and Barclays PLC's statutory accounts are available from the Barclays Corporate Secretariat, 54 Lombard Street, London EC3P 3AH.