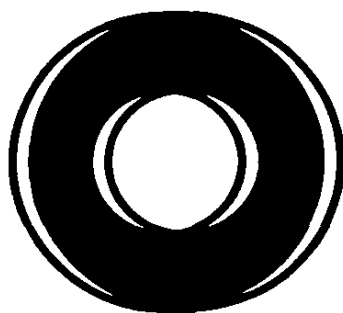


Company Registration Number: 4866246

MEIF (UK) LIMITED

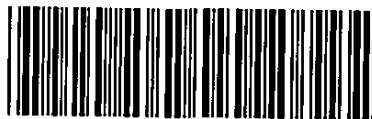
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2011**



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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

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GENERAL INFORMATION**Directors**

E Beckley	(appointed on 14 June 2010)
I Learmonth	(resigned on 30 June 2010)
R Tallentire	

Secretaries

J Greenfield
D Tan

Registered office

Ropemaker Place
28 Ropemaker Street
London EC2Y 9HD
United Kingdom

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
United Kingdom

Company number 4866246

DIRECTORS' REPORT

The directors present their report and the audited financial statements for MEIF (UK) Limited ("the Company") for the year ended 31 March 2011

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year ended 31 March 2011 was to act as a holding company

The Company holds the following investments

- Macquarie Infrastructure GP Limited
- Macquarie GP Limited
- Macquarie GP2 Limited
- Macquarie (Scotland) GP Limited
- YBR Feeder GP Limited

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

On 9 April 2010, the Directors of the Company approved its recapitalisation by Macquarie UK Holdings Limited. Accordingly, on 15 April 2010 10,000 ordinary shares of £1 each were allotted to its parent, Macquarie UK Holdings Limited. On the same date, the Company also approved a further investment of £5,000 into YBR Feeder GP Limited, for which it was allotted 5,000 ordinary shares

MGUIGP Limited was struck off on 25 May 2010 and has been deconsolidated accordingly

The Company does not envisage any changes in activities for the foreseeable future

POST BALANCE SHEET DATE EVENTS

At the date of this report, the Directors are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 March 2011 not otherwise disclosed in this report

RESULTS AND DIVIDENDS

The Company's loss after tax for the financial year was £4,193 (2010 £4,896)

No dividend was paid during the year (2010 nil)

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Macquarie Group and are not managed separately. Accordingly, the principal risks and uncertainties of Macquarie Group Limited, which include those of the Company, are discussed in its financial statements and can be obtained from the address given in Note 14

KEY PERFORMANCE INDICATORS ("KPIs")

Given the straightforward nature of the business and the information provided elsewhere in this report, the directors are of the opinion that the production of KPIs in the Directors' Report is not necessary for an understanding of the development, performance or position of the business. KPIs are monitored at the Macquarie Group level

DIRECTORS' REPORT (CONTINUED)**FINANCIAL RISK MANAGEMENT**

The Company is not exposed to significant financial risks. This includes the effects of credit risk, liquidity risk, interest rate risk and foreign exchange risk. The Company however, is subject to the Macquarie Group's Risk Management programme that seeks to limit the adverse effects on the financial performance of the Company.

DIRECTORS

The directors of the Company holding office during the year were as follows

E Beckley	(appointed on 14 June 2010)
I Learmonth	(resigned on 30 June 2010)
R Tallentire	

CREDITORS' PAYMENT POLICY

It is the Company's policy to agree the terms of payment to creditors at the start of business with that supplier, ensure that suppliers are aware of the terms of payment and to pay in accordance with its contractual and other legal obligations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 2006 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The directors have taken all the steps necessary in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors confirm that they have complied with the above requirements in preparing the financial statements. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to 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.

AUDITORS

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial year unless the directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements the directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the board



Director

21 June 2011

ROBERT TALLENTIRE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEIF (UK) LIMITED

We have audited the financial statements of MEIF (UK) Limited for the year ended 31 March 2011 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 5, 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. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2011 and of its loss 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.

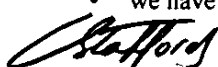
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Craig Stafford (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011 £	2010 £
Turnover	1 (a)	-	-
Administrative expenses		<u>(4,928)</u>	<u>(7,035)</u>
		(4,928)	(7,035)
Other operating (charges)/income	1(b)	<u>(1)</u>	<u>18</u>
OPERATING LOSS		(4,929)	(7,017)
Interest receivable and similar income	3	1,305	1,364
Interest payable and similar charges	4	(985)	(1,147)
Impairment of fixed asset investments	8	<u>(874)</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(5,483)	(6,800)
Tax on loss on ordinary activities	6	1,290	1,904
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(4,193)</u>	<u>(4,896)</u>

Turnover and loss on ordinary activities before taxation relate wholly to continuing operations

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

All movements for the financial year were due to profit and loss items, therefore no statement of total recognised gains and losses has been prepared

The notes on pages 9 to 14 form part of these financial statements

BALANCE SHEET AS AT 31 MARCH 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Investments	8	<u>4,132</u>	<u>7</u>
		4,132	7
CURRENT ASSETS			
Debtors	9	<u>35,587</u>	<u>41,420</u>
		35,587	41,420
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(30,682)</u>	<u>(38,197)</u>
NET CURRENT ASSETS		4,905	3,223
TOTAL ASSETS LESS CURRENT LIABILITIES		9,037	3,230
NET ASSETS		<u>9,037</u>	<u>3,230</u>
CAPITAL AND RESERVES			
Called up share capital	11	15,000	5,000
Equity contribution from parent	12	20,000	20,000
Profit and loss account		<u>(25,963)</u>	<u>(21,770)</u>
TOTAL SHAREHOLDERS' FUNDS	13	<u>9,037</u>	<u>3,230</u>

The notes on pages 9 to 14 form part of these financial statements

The financial statements on pages 7 to 14 were approved by the board of directors on 21 June 2011 and were signed on its behalf by



Director

ROBERT TALENTIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011**1 ACCOUNTING POLICIES**

The financial statements are prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006, and with applicable accounting standards in the United Kingdom

The financial statements contain information about MEIF (UK) Limited as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent Macquarie Group Limited, a company incorporated in Australia

The particular policies adopted are described below as follows

a) TURNOVER

There was nil turnover in the year

b) OTHER OPERATING (CHARGES)/INCOME

Net gains or losses arising from foreign currency transactions are accounted for as other operating (charges)/income

c) INTEREST

Interest receivable and similar income and interest payable and similar charges are brought to account on an accrual basis

Interest receivable from and payable to other group undertakings has been disclosed on a gross basis in the profit and loss account. The balance sheet has been disclosed on a net basis as there is a legal right of set off and an intention to settle net or simultaneously

d) TAXATION AND DEFERRED TAXATION

The credit for taxation is based on the loss for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided fully in respect of all timing differences between the accounting and tax treatment of income and expenses, at the reporting date, the anticipated reversal of which will result in a change in the future liability to tax. The provision is calculated using the rates expected to be applicable when the asset or liability crystallises based on current tax rates and law and is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

e) INVESTMENTS

Investments, including investments in subsidiary undertakings, are recorded at cost less provision for impairment. Where the directors are of the opinion that there has been a permanent diminution in the value of investments, the carrying amount of such investments is written down to their recoverable amount. The impairment of fixed asset investments is recognised as an expense in the profit and loss account

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**1 ACCOUNTING POLICIES (CONTINUED)****f) IMPAIRMENT OF FINANCIAL ASSETS**

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') that occur after the initial recognition of the asset and that loss event, or events, has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

g) FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to sterling using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

h) PROVISION FOR LIABILITIES AND CHARGES

A provision is recognised where the Company has a present legal or constructive obligation to make a payment as a result of a past event where it is more probable than not that a transfer of economic benefit will be required to settle the obligation and the amount can be reliably estimated.

2 SEGMENTAL REPORTING

The Company was a wholly owned subsidiary within the Macquarie Group throughout the year and is included in the consolidated financial statements of Macquarie Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a segmental reporting note under the terms of SSAP 25.

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	2011 £	2010 £
Interest receivable from other Macquarie Group undertakings	1,305	1,364
	<u>1,305</u>	<u>1,364</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable to other Macquarie Group undertakings	985	1,147
	<u>985</u>	<u>1,147</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**5 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

Loss on ordinary activities before taxation is stated after charging/ (crediting)

	2011 £	2010 £
Auditors' remuneration		
Fees payable to the Company's auditors for the audit of the Company	4,500	6,300
Foreign exchange losses/ (gains)	1	(18)

The company had no employees during the year (2010 nil)

6 TAX ON LOSS ON ORDINARY ACTIVITIES**Analysis of tax credit for the year**

	2011 £	2010 £
Current tax		
UK corporation tax at 28% (2010 28%)	(1,290)	(1,904)
Total current tax	(1,290)	(1,904)
Tax on loss on ordinary activities	(1,290)	(1,904)

Factors affecting tax credit for the year

The taxation benefit for the year ended 31 March 2011 is £1,290 (2010 £1,904) the standard rate of corporation tax in the United Kingdom of 28% (2010 28%) The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before taxation	(5,483)	(6,800)
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the United Kingdom of 28% (2010 28%)	1,535	1,904
Effects of		
Expenses not deductible	(245)	-
	1,290	1,904

7 DIRECTORS' REMUNERATION

During 2010 and 2011 all Directors were employed by, and received all emoluments from, other Macquarie Group undertakings. The Directors perform director duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation across all these duties would mean any amounts allocated to their director duties for the Company would be an immaterial nominal amount. Accordingly, no separate remuneration has been disclosed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**8 FIXED ASSET INVESTMENTS**

	2011 £	2010 £
COST		
At 1 April	7	7
Additions	5,000	-
Disposals	(1)	-
Impairment	(874)	-
At 31 March	<u>4,132</u>	<u>7</u>

Fixed asset investments comprise of

	Nature of business	Country of incorporation	% ownership	2011 £	2010 £
YBR Feeder GP Limited	General partner	United Kingdom	100%	4,127	1
MGUIGP Limited	General partner	United Kingdom	-	-	1
Macquarie Infrastructure GP Limited	General partner	United Kingdom	100%	1	1
Macquarie (Scotland) GP Limited	General partner	United Kingdom	100%	1	1
Macquarie GP2 Limited	Managing member	United Kingdom	100%	2	2
Macquarie GP Limited	Managing member	United Kingdom	100%	1	1
				<u>4,132</u>	<u>7</u>

Subsidiary acquisitions and disposals**YBR Feeder GP Limited**

On 15 April 2010, the Company made a further investment of £5,000 into YBR Feeder GP Limited, for which it was issued 5,000 ordinary shares

MGUIGP Limited

On 25 May 2010 MGUIGP Limited was struck off and has been deconsolidated accordingly

9 DEBTORS

	2011 £	2010 £
Amounts owed by other Macquarie Group undertakings	34,297	39,516
Group relief receivable	1,290	1,904
	<u>35,587</u>	<u>41,420</u>

Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to Macquarie Group undertakings at market rates and at 31 March 2011 the rate applied was between LIBOR plus 1.82% and LIBOR plus 2.3% (2010 LIBOR plus 1.84% and LIBOR plus 2.35%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Amounts owed to other Macquarie Group undertakings	30,682	38,190
Withholding tax payable	-	7
	<u>30,682</u>	<u>38,197</u>

Amounts owed to other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company incurs interest on intercompany loans owed to Macquarie Group undertakings at market rates and at 31 March 2011 the rate applied was LIBOR plus 1.82% (2010: LIBOR plus 1.79%).

11 CALLED UP SHARE CAPITAL

	2011 £	2010 £
AUTHORISED		
50,000 (2010: 50,000) ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
ALLOTTED AND FULLY PAID		
15,000 (2010: 5,000) ordinary shares of £1 each	15,000	5,000
	<u>15,000</u>	<u>5,000</u>

12 EQUITY CONTRIBUTION FROM PARENT

	2011 £	2010 £
Contributed equity from Macquarie UK Holdings Limited	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	3,230	8,126
Issue of share capital	10,000	-
Loss for the year	(4,193)	(4,896)
Closing shareholders' funds	<u>9,037</u>	<u>3,230</u>

14 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Macquarie UK Holdings Limited.

The ultimate parent undertaking and controlling party of the Company, which is the parent undertaking of the smallest and largest group to consolidate these financial statements, is Macquarie Group Limited, a company incorporated in Australia. Copies of the consolidated financial statements for Macquarie Group Limited can be obtained from the Company Secretary, Level 7, No. 1 Martin Place, Sydney, New South Wales, 2000, Australia.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**15 RELATED PARTY TRANSACTIONS**

As 100% of the voting rights of the Company are controlled within the group headed by Macquarie Group Limited, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of Macquarie Group Limited, within which the Company is included, can be obtained from the address given in Note 14.

16 CASH FLOW STATEMENT

The Company was a wholly owned subsidiary within the Macquarie Group throughout the year and is included in the consolidated financial statements of Macquarie Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of the FRS 1 (revised 1996).

17 POST BALANCE SHEET DATE EVENTS

There were no material post balance sheet events occurring after reporting date requiring disclosure in these financial statements.