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DB ENFIELD INFRASTRUCTURE INVESTMENTS LIMITED

Company number: 89796

REPORT AND FINANCIAL STATEMENTS

For the year ended 21 September 2008

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REPORT OF THE DIRECTORS
For the year ended 21 September 2008

The Directors present their annual report and audited financial statements for the year ending 21 September 2008.

ACTIVITIES AND REVIEW OF BUSINESS

The Company was incorporated on 22 March 2005 in Jersey.

The Company acted as an investment company throughout the period.

On the 23 November 2006 the entity paid an amount of £114,700,638 as consideration for the assignment of the gas supply contract to a group undertaking. The Company entered into a new gas supply sale contract with a group undertaking at prevailing forward prices to hedge the price risk in the gas purchase contract with a third party. On the same day the entity also terminated an interest rate swap and immediately entered into a new swap agreement under similar terms. This interest rate swap hedges the fixed interest rate risk on the differences between the gas purchases and sales.

The position at the end of the year is reflected in the audited balance sheet set out on page 5.

RESULTS AND DIVIDENDS

The results of the Company for the year ending 21 September 2008, after providing for taxation, show a profit of £2,788,964. (2007: loss of £1,326,626).

The Directors do not recommend the payment of a dividend for the year ending 21 September 2008 (2007: £2,400,210).

DIRECTORS

The Directors of the Company who held office during the year and subsequent to the year ended 21 September 2008 were as follows:

S E Macfarlane		Resigned 17 January 2008
M A McGiddy	Appointed 1 February 2008	
R Sivanithy		
C C Stokeld		

A Bartlett and A Rutherford were joint Secretaries of the Company throughout the year. There have been no further changes during the year or subsequent to the year-end.

As at the date of approval, and during the year, the Company provided an indemnity to its Directors in the form of a qualifying third party indemnity provision.

REPORT OF THE DIRECTORS (continued)
For the year ended 21 September 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the non-statutory financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). The non-statutory 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 that period. In preparing these non-statutory 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the non-statutory financial statements; and
- prepare the non-statutory 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 which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the non-statutory financial statements comply with the Companies (Jersey) Law 1991. They 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.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board of Directors this 18 day of SEPTEMBER 2009

A P Rutherford
Joint Secretary

Registered office

P O Box 727
St Paul's Gate
New Street
St Helier
Jersey
JE4 8ZB

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DB ENFIELD INFRASTRUCTURE INVESTMENTS LIMITED

We have audited the non-statutory financial statements of DB Enfield Infrastructure Investments Limited for year ended 21 September 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movement in Shareholders' Funds and the related notes. These non-statutory financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The Company's Directors are responsible for preparation of the non-statutory financial statements in accordance with applicable Jersey law and UK Accounting Standards (UK Generally Accepted Accounting Practice) as described in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the non-statutory financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 (Jersey) Law 1991. We also report to you if, in our opinion, if the Company has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report accompanying the non-statutory financial statements and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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 non-statutory financial statements:

- give a true a and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 21 September 2008 and of its profit for the year then ended; and

- have been properly prepared in accordance with the Companies (Jersey) Law 1991.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

18th September 2009

PROFIT AND LOSS ACCOUNT
For the year ended 21 September 2008

	Note	21 September 2008 £	21 September 2007 £
Gas supplies income	4	91,335,098	91,925,733
Gas supplies expense		(44,801,847)	(47,440,157)
Amortisation of fixed asset investment	4 / 7	(12,030,780)	(18,904,918)
Loss from fixed assets	5	-	(1,339)
Amortisation of deferred loss	9	(14,594,467)	(9,581,902)
Interest receivable from group undertakings	4	6,383,778	4,102,603
Interest payable to group undertakings	4	(11,361,475)	(9,655,246)
Interest on corporation tax payable		(44,865)	(114,684)
Other expenses		(110,000)	(310,000)
Other income		56,494	37,091
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		14,831,936	10,057,181
Tax charge on profit on ordinary activities	6	(12,042,972)	(11,383,807)
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		2,788,964	(1,326,626)

The profit for the year has arisen from continuing activities.

There were no other recognised gains and losses during the year.

The notes on pages 7 to 12 form part of these financial statements.

BALANCE SHEET
As at 21 September 2008

	Note	21 September 2008 £	21 September 2007 £
FIXED ASSETS			
Investments - Gas Supply Agreement	7	32,902,783	44,933,563
CURRENT ASSETS			
Debtors	8	117,003,122	84,315,865
Deferred loss	9	90,524,269	105,118,736
CREDITORS: amounts falling due within one year	10	(213,338,477)	(210,008,937)
Deferred income	11	(350,415)	(406,909)
NET CURRENT LIABILITIES		(6,161,501)	(20,981,245)
TOTAL ASSETS LESS CURRENT LIABILITIES		26,741,282	23,952,318
NET ASSETS		26,741,282	23,952,318
CAPITAL AND RESERVES			
Called up share capital	12	2,584	2,584
Share premium		25,839,088	25,839,088
Profit and loss account		899,610	(1,889,354)
SHAREHOLDER'S FUNDS		26,741,282	23,952,318

The notes on pages 7 to 12 form part of these financial statements.

These financial statements were approved by the Board of Directors on 18 SEPTEMBER 2009

Signed by C.C. STOKELD
for and on behalf of the Board of Directors

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 21 September 2008

	Profit & Loss Account	Ordinary Share Capital	Share Premium Account	Total
	£	£	£	£
Balance as at 22 September 2007	(1,889,354)	2,584	25,839,088	23,952,318
Profit for the year	2,788,964	-	-	2,788,964
Dividend payment	-	-	-	-
Balance at 21 September 2008	899,610	2,584	25,839,088	26,741,282

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 21 September 2007

	Profit & Loss Account	Ordinary Share Capital	Share Premium Account	Total
	£	£	£	£
Balance as at 22 September 2006	1,837,482	2,584	25,839,088	27,679,154
Loss for the year	(1,326,626)	-	-	(1,326,626)
Dividend payment	(2,400,210)	-	-	(2,400,210)
Balance at 21 September 2007	(1,889,354)	2,584	25,839,088	23,952,318

The notes on pages 7 to 12 form part of these financial statements.

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the non-statutory financial statements, except as noted below.

Basis of preparation

These non-statutory financial statements have been prepared in accordance with Jersey law and UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below.

(a) CONVENTION
These non-statutory financial statements are prepared in accordance with the historical cost convention.

(b) INCOME RECOGNITION
Gas supply and interest income and expense is accounted for on an accrual basis.

(c) DEFERRED LOSS / GAIN
Deferred losses and gains on termination of hedging arrangements where a new hedging arrangement is entered into immediately after termination and the new arrangement is under similar terms as the original arrangement these gains and losses are amortised over the remaining life of the original hedged item.

(c) FIXED ASSETS
Fixed assets are held at cost less amortisation and less provision for any permanent diminution in value. Any such provision is charged to the profit and loss account in the period in which it arises.

(d) AMORTISATION
Fixed asset investments are amortised over the life of the contract term of the asset, as net receipts are recovered.

(e) TAXATION
The charge for taxation is based on profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

(f) CASH FLOW STATEMENT
The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available.

2 DIRECTORS' REMUNERATION

The aggregate emoluments of persons who were directors of the company during the year ended 21 September 2008, including pension contributions, were £nil (2007: £nil).

As at the date of approval, and during the year, the Company had in force a third party qualifying indemnity provision for the benefit of its Directors.

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

3 ADMINISTRATIVE EXPENSES

The Company has no full time employees. The staff involved in the Company's operations are all employees of the Deutsche Bank Group. The total staff costs have been borne by a Deutsche Bank Group company without recharge, no staff costs have therefore been included in these financial statements.

Audit remuneration is borne by a group undertaking.

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	21 September 2008	21 September 2007
	£	£
Profit on ordinary activities before taxation is arrived at after taking into account		
Gas supplies income	91,335,098	91,925,733
Amortisation of fixed asset investment	(12,030,780)	(18,904,918)
Interest receivable from group undertakings	6,383,778	4,102,603
Interest payable to group undertakings	(11,361,475)	(9,655,246)

5 LOSS FROM FIXED ASSETS

	21 September 2008	21 September 2007
	£	£
Loss on gilt investments	-	(1,339)

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

6 TAXATION	21 September 2008	21 September 2007
	£	£
(a) Analysis of tax on profit on ordinary activities		
Current tax		
Corporation tax charge for the period	(12,042,972)	(11,563,200)
Adjustments in respect of prior periods	-	179,393
Total tax charge on profit on ordinary activities	(12,042,972)	(11,383,807)

(b) Current tax reconciliation

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 29.05% (2007 - 30%). The actual tax (charge)/credit for the year differs from the standard rate for the reasons set out in the following reconciliation:

	21 September 2008	21 September 2007
	£	£
Profit on ordinary activities before taxation	14,831,936	10,057,181
Tax on profit on ordinary activities at standard rate adjustment	(4,308,556)	(3,017,154)
Effects of:		
Non-deductible amortisation on deferred loss	(4,239,573)	(2,874,571)
Non-deductible amortisation on fixed investment	(3,494,843)	(5,671,475)
Adjustments in respect of prior periods	-	179,393
Total current tax charge	(12,042,972)	(11,383,807)

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

7 INVESTMENTS - GAS SUPPLY AGREEMENT	21 September 2008	21 September 2007
	£	£
Cost		
Opening balance	99,640,000	99,640,000
Closing balance	99,640,000	99,640,000
Amortisation		
Opening balance	(54,706,437)	(35,801,519)
Amortisation during the period	(12,030,780)	(18,904,918)
Closing balance	(66,737,217)	(54,706,437)
Investment closing balance	32,902,783	44,933,563

On 5 April 2005 the Company acquired from a third party, a contract to purchase gas for a consideration of £99,640,000. This contract is amortised over the life of the contract term, as net receipts are recovered. On the same date the company entered into a contract to sell the majority of the gas purchased to a group undertaking.

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

8 DEBTORS	21 September 2008	21 September 2007
	£	£
Amounts owed by group undertakings	114,924,165	81,392,018
Interest receivable from group undertaking	314,440	266,679
VAT receivable	1,764,517	2,657,168
	117,003,122	84,315,865

During the year the Company had an interest rate swap with a group undertaking. At the year end the swap had a notional value of £200,226,964 (2007: £225,035,460) and accrued net interest receivables of £10,821 (2007: £14,335).

9 DEFERRED LOSS	21 September 2008	21 September 2007
	£	£
Deferred loss on novation of gas contract		
Opening balance	114,700,638	-
Additions	-	114,700,638
Closing balance	114,700,638	114,700,638
Amortisation		
Opening balance	(9,581,902)	-
Amortisation during the period	(14,594,467)	(9,581,902)
Closing balance	(24,176,369)	(9,581,902)
Deferred loss carrying value at end of year	90,524,269	105,118,736

On the 23 November 2006 the contract to sell gas was transferred to a group undertaking for a consideration of £114,700,638. This consideration is amortised over the life of the gas contract term, as net receipts are recovered.

10 CREDITORS: Amounts falling due within one year	21 September 2008	21 September 2007
	£	£
Amounts payable to group undertakings	199,040,418	194,288,163
Interest payable to group undertakings	613,952	673,189
Amounts payable to third parties	2,378,262	3,297,093
Corporation tax payable		
Corporate Tax payable	99,778	1,900,801
Group Relief payable	11,199,202	9,662,400
Interest on corporation tax payable	6,865	187,291
	213,338,477	210,008,937

11 DEFERRED GAIN	21 September 2008	21 September 2007
	£	£
Deferred income on termination of interest rate swap		
Opening balance	444,000	-
Additions	-	444,000
Closing balance	444,000	444,000
Amortisation		
Opening balance	(37,091)	-
Amortisation during the period	(56,494)	(37,091)
Closing balance	(93,585)	(37,091)
Deferred gain carrying value at end of year	350,415	406,909

On the 23 November 2006 the entity terminated an interest rate swap and immediately entered into to a new swap agreement under similar terms to pay fixed and receive floating. The swap was issued with an increase notional value to reflect the increase in the new gas supply contract. The termination of the swap resulted in a gain of £444,000 which is being amortised over the life of the gas contract term, as net receipts are recovered.

NOTES TO THE ACCOUNTS
For the year ended 21 September 2008

12 SHARE CAPITAL

	21 September 2008	21 September 2007
	No	No
Authorised:		
Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each	2,584	2,584
	£	£
Authorised:		
Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each	2,584	2,584

13 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

DB Enfield Infrastructure Holdings Limited, a company incorporated in Jersey, is the Company's immediate controlling entity.

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretariat, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

14 RELATED PARTY TRANSACTIONS

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions with members or associates of the Deutsche Bank group.