INVESTORS IN INFRASTRUCTURE LIMITED

Report and Financial Statements
For the year ended 31 December 2000

REGISTERED NUMBER: 2052321

LN8NKZOA
LD5
COMPANIES HOUSE
0438
10/04/01

INVESTORS IN INFRASTRUCTURE LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2000

The directors present their report together with the audited financial statements for the year ended 31 December 2000.

Review of business

The Company is a limited partner investor in the Barclays UK Infrastructure Fund, an investment fund established to invest in public and private infrastructure projects.

Results and Dividends

During the year the Company made a profit after taxation of £5,231 (1999: £1,852 loss). The directors do not recommend the payment of a dividend (1999: nil).

Directors

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

Barometers Limited	
Barcosec Limited	
M J Keegan	(Resigned 19th January 2001)
T S Lamb	(Appointed 19th January 2001)
G R White	

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

The directors of the Company are also directors of Barclays Directors Limited and their interests are disclosed in the financial statements 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 year 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 8

- 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.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2000

Statement of Directors' Responsibilities (continued)

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 3 January 1991 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 have indicated their willingness to continue in office.

BY ORDER OF THE BOARD

G R White
Director

26 March 2001

AUDITORS' REPORT TO THE MEMBERS OF INVESTORS IN INFRASTRUCTURE LIMITED

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on pages 1 and 2, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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.

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 as at 31 December 2000 and of its profit for the year have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

26 March 2001

INVESTORS IN INFRASTRUCTURE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 £
Administrative expenses		(2,986)	(3,573)
Operating loss		(2,986)	(3,573)
Interest receivable and similar income	6	10,458	5,750
Profit on ordinary activities before taxation		7,472	2,177
Tax on profit on ordinary activities	7	(2,241)	(4,029)
Profit / (Loss) on ordinary activities after taxation	12	5,231	(1,852)

The Company had no recognised gains or losses for the current and preceding years other than those reflected in the above profit and loss account.

The operating loss is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes on pages 6 to 8 form an integral part of these financial statements.

INVESTORS IN INFRASTRUCTURE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Investments	8	10,167,767	5,788,455
CURRENT ASSETS			
Cash at bank and in hand		57,020	53,577
CREDITORS: Amounts falling due within one year	9	(2,241)	(4,029)
NET CURRENT ASSETS		54,779	49,548
NET ASSETS		10,222,546	5,838,003
CAPITAL AND RESERVES			
Called up share capital	10	10,217,767	5,838,455
Profit and loss account	11	4,779	(452)
Total equity shareholders' funds	12	10,222,546	5,838,003

A statement of movement in shareholders' funds is given in note 12.

The notes on pages 6 to 8 form an integral part of these financial statements.

The financial statements on pages 4 to 8 were approved by the Board of Directors on 26 March 2001.

G R White
Director

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by accounting policies set out below and in accordance with applicable accounting standards.

Investments

Although the Group's interest in the equity voting rights in certain of the above investments is 20% or more, the Directors do not consider them to be participating interests (within the meaning of Section 260, Companies Act 1985) and consequently not associated undertakings since the Group is not in a position to exercise significant influence over the activities of these investments.

Investment Income

Investment income is recognised when received.

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. SEGMENTAL INFORMATION

The Company's income and profit before taxation is derived entirely from investment holding activities within the United Kingdom.

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after taking account of auditors' remuneration of £2,937 (1999 £3,525).

The Company had no employees during 2000 or 1999.

5. DIRECTORS' EMOLUMENTS

The Directors did not receive any emoluments in respect of their services to the Company during the year (1999 nil).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2000 £	1999 £
Other income	-	3,721
Other interest receivable	10,458	2,029
	10,458	5,750

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000 £	1999 £
United Kingdom:		
Current taxation	2,241	659
Adjustment in respect of under provision in prior year	-	3,370
	2,241	4,029

The tax charge is based on an effective UK corporation tax rate of 30% (1999 30.25%).

8. FIXED ASSET INVESTMENTS

	2000 £
Cost	
Balance at 1 January	5,788,455
Additions	4,379,312
Balance at 31 December	10,167,767
Net Book Value	
Balance at 31 December 2000	10,167,767
Balance at 31 December 1999	5,788,455

In the opinion of the Directors the estimated market value of investments is the same as the Net Book Value. All investments are unlisted.

9. CREDITORS: Amounts falling due within one year

	2000 £	1999 £
Taxation payable	2,241	4,029

10. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised:		
25,000,000 Ordinary shares of £1 each	25,000,000	25,000,000
Allotted, issued and fully paid:		
10,217,767 (1999: 5,838,455) Ordinary shares of £1 each	10,217,767	5,838,455

During the year 4,379,312 shares were issued at par to fund the Company's investment in the Barclays UK Infrastructure Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. RESERVES

	Profit & Loss Account £
At 1 January	(452)
Retained profit for the financial year	5,231
At 31 December	4,779

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit/(loss) for the financial year	5,231	(1,852)
Net proceeds of issue of ordinary share capital	4,379,312	3,889,270
Net addition to shareholders' funds	4,384,543	3,887,418
Opening shareholders' funds	5,838,003	1,950,585
Closing shareholders' funds	10,222,546	5,838,003

13. 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.

14. 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.

Barclays Private Equity Limited, a fellow group company, is the Manager of the Barclays UK Infrastructure Fund in which the Company has made a capital contribution of £10,167,767.

Barclays Infrastructure Limited, a fellow group company, is the General Partner of the Barclays UK Infrastructure Fund.

BUKIF Management Limited, a fellow group company, is a Limited Partner of the Barclays UK Infrastructure Fund.

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

15. ULTIMATE HOLDING COMPANY

The parent undertaking of the smallest group that presents group accounts is Barclays Bank PLC. The ultimate holding company and the parent company of the largest group that presents group accounts is Barclays PLC. Both companies are incorporated in Great Britain and registered in England and Wales. Barclays Bank PLC's and Barclays PLC's statutory accounts are available from the Secretary, 54 Lombard Street, London EC3P 3AH.