

Company Registration No. 03841821

Kajima Partnerships Limited

Report and Financial Statements

31 December 2012

Kajima Partnerships Limited

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Kajima Partnerships Limited

Officers and professional advisers

Directors

J M Rudd-Jones
M Uchida (resigned 01 January 2013)
H Iizawa
A Longshaw
A Yajima
N W M G Chism
K Uchida (appointed 01 January 2013)

Secretary

D M Hedge

Registered office

55 Baker Street
London
W1U 8EW

Bankers

Sumitomo Mitsui Banking Corporation Europe Limited

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Kajima Partnerships Limited

Directors' report

The directors present their annual report on the affairs of Kajima Partnerships Limited ("the company"), together with the financial statements and auditors' report, for the year ended 31 December 2012. This directors' report has been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Business review and principal activities

The company is a wholly-owned subsidiary of Kajima Estates (Europe) Limited.

The company's principal activity is the development and management of commercial property and public private partnership projects in the UK.

On 25 July 2012 the company acquired the 15,000 shares held by a minority investor in Children's Ark Partnerships Holdings Limited ("CAPH") for the sum of £55,000. On 21 September 2012 the company acquired the 15,000 shares held by another minority investor in CAPH for £55,000.

On 4 July 2012, in order to finance RPV2's acquisition of Central Blackpool PCC Holding Company Limited, the company (25%) and its co-investor, Infrastructure Investment Limited Partnership ("IILP") (75%), subscribed £1.016m for new ordinary shares and £1.320m for subordinated loan notes in RPV2.

On 7 December 2012, in order to finance RPV2's acquisition of HDM Schools Solutions (Holdings) Limited, the company (25%) and its co-investor, Infrastructure Investment Limited Partnership ("IILP") (75%), subscribed £1.900m for new ordinary shares and £3,120m for subordinated loan notes in RPV2.

Details of the company's current investments are given in Note 18.

Apart from the above, there have not been any significant changes in the company's principal activities in the year under review and the directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

Going concern

The company meets its day to day working capital requirements principally through a short-term borrowing facility from its ultimate UK parent company, Kajima Europe Limited. As a result of market uncertainty due to the economic environment, the following are potential risks to the company:

- the incidence of losses on its investments in PFI projects; and
- its failure to win any further projects or to raise the necessary senior debt to finance such projects, having incurred substantial bid costs.

In respect of its PFI projects, the company maintains rolling cash flow forecasts based on the respective bank-approved financial models, which are regularly updated to reflect actual cash movements and any projected changes; these forecasts are used to monitor each project company's ability to meet its future cash commitments and ensure compliance with the bank covenants.

With regard to prospective new projects, management keeps a close watch on its markets and enters into the bidding process only in cases where there is a reasonable prospect of success.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Results and dividends

As shown in the company's profit and loss account on page 6, the company's turnover (consisting principally of commercial and PFI project management fees) has increased by £0.438m and operating loss decreased by 22.6% compared with the previous year. After taking account of interest and dividends receivable, the company made a profit of £1.70m (2011: £5.29m).

No dividend was paid in the year (2011: £nil) and the directors recommend that no final dividend be paid (2011: £nil).

The balance sheet on page 7 of the financial statements shows that the company's financial position at the year-end has improved by £1.70m in terms of its total net assets compared to the prior year.

Kajima Partnerships Limited

Directors' report (continued)

Principal risks and uncertainties

The principal risks and uncertainties facing the company are set out under 'going concern' (above).

The directors do not consider there to be any material credit or pricing risk associated with the company's fee income derived from, or sales of its shares in, its joint venture companies, as these are all subject to contractual arrangements with local authorities, which are considered to be quasi-governmental organisations, the credit risk and associated cash flow risk are not considered significant.

The company is not exposed to any significant currency risks, as all its loans are denominated in sterling.

Directors and their interests

The current directors of the company are shown on page 1. On 1 January 2013, Mr M Uchida resigned and Mr K Uchida was appointed as a director in his place. There have been no other changes in directorships during the year or since the year-end.

None of the directors had any interests in the shares of the company or any other group company at any time during the year.

Qualifying third party indemnity provisions are currently in force for the benefit of certain directors.

Disclosure of information to auditor

Each of the directors at the date of approval of this report confirms that:

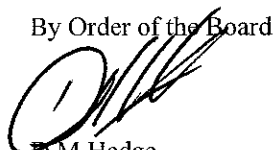
- so far as the directors are aware, there is no relevant audit information of which the auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

Deloitte LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 and, unless the company receives notice under Section 488(1) of the Act, offer themselves for reappointment as auditors in accordance with the Companies Act.

By Order of the Board



D M Hedge
Secretary

14 June 2013

Kajima Partnerships Limited

Directors' responsibilities statement

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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 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; and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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.

Independent auditor's report to the members of Kajima Partnerships Limited

We have audited the financial statements of Kajima Partnerships Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement, 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.

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' Reports to identify any 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 December 2012 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 matters prescribed in 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Makhan Chahal ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

17th June 2013

Kajima Partnerships Limited

Profit and loss account Year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	3,526,697	3,088,924
Cost of sales		-	-
Gross profit		<u>3,526,697</u>	<u>3,088,924</u>
Administrative expenses		(5,476,403)	(5,607,814)
Operating loss	3	(1,949,706)	(2,518,890)
Other income	5	950,000	587,500
Net interest receivable	6	2,702,139	2,635,174
Profit on sale of investments	7	-	4,581,560
Profit on ordinary activities before taxation		<u>1,702,433</u>	<u>5,285,344</u>
Taxation	8	-	4,958
Profit on ordinary activities after taxation retained for the year	16	<u><u>1,702,433</u></u>	<u><u>5,290,302</u></u>

All results are derived from continuing operations. The company had no other recognised gains or losses for the current or preceding year. Accordingly, no statement of total recognised gains and losses is presented.

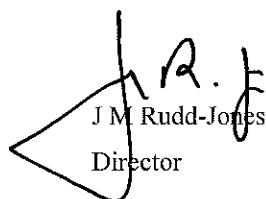
The notes on pages 8 to 16 form part of these financial statements.

Kajima Partnerships Limited

Balance sheet 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Investments	9	5,211,307	4,372,321
Tangible fixed assets	10	16,941	15,217
		<u>5,228,248</u>	<u>4,387,538</u>
Current assets			
Debtors: amounts falling due after more than one year	11	29,762,912	27,813,561
Debtors: amounts falling due within one year	12	3,520,588	1,895,491
Cash at bank and in hand		88,140	711,847
		<u>33,371,640</u>	<u>30,402,899</u>
Creditors: amounts falling due within one year	13	<u>(4,431,001)</u>	<u>(2,341,983)</u>
Net current assets		<u>28,940,639</u>	<u>28,078,916</u>
Total assets less current liabilities		<u>34,168,887</u>	<u>32,466,454</u>
Creditors: amounts falling due after more than one year	14	<u>(5,250,922)</u>	<u>(5,250,922)</u>
Net assets		<u>28,917,965</u>	<u>27,215,532</u>
Capital and reserves			
Called up share capital	15	100,000	100,000
Profit and loss account	16	28,817,965	27,115,532
Shareholder's funds	16	<u>28,917,965</u>	<u>27,215,532</u>

The financial statements of Kajima Partnerships Limited, registered number 03841821, were approved by the Board of Directors on 14 June 2013 and signed on its behalf by:


J M Rudd-Jones
Director

The notes on pages 8 to 16 form part of these financial statements.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The accounting policies have been applied consistently throughout the current and preceding year.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on pages 2 and 3. The Directors' Report also describes the financial position of the company; its objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Group accounts

The company is exempt from the obligation to prepare and deliver group accounts under S.400 Companies Act 2006 as it is itself a subsidiary undertaking of an EU parent and is included in the parent's consolidated accounts. Since the UK parent company, Kajima Europe Limited, produces consolidated financial statements, these accounts present information about the company as an individual undertaking and not its group.

Turnover

Turnover represents fee income for project management and property development services, exclusive of value added tax, and is recognised on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is provided in equal annual instalments over the estimated useful lives of computer equipment at the rate of 33.3% per annum.

Pre-contract costs

Costs incurred for the purpose of obtaining new contracts ("bid costs") are written off as incurred.

Investments

Investments in subsidiary companies and joint ventures are stated at cost less provision for any impairment.

Related party transactions

The company is a wholly-owned subsidiary of the Kajima Europe Limited group of companies and has taken advantage of the exemption that is conferred by Financial Reporting Standard 8 (*Related Party Disclosures*) that allows it not to disclose transactions with group companies.

Current taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

1. ACCOUNTING POLICIES (continued)

Cash flow statement

The company has taken advantage of the exemption provided under Financial Reporting Standard 1 (Revised 1996) not to provide a cash flow statement, as it is a wholly-owned subsidiary undertaking.

2. TURNOVER

Turnover, which represents fee income for project management and property development services, was wholly derived from the UK.

3. OPERATING LOSS

Operating profit is stated after charging:

	2012 £	2011 £
Fees payable to the company's auditor:		
For the audit of the annual accounts:		
Company	31,650	32,000
Total audit fees	<u>31,650</u>	<u>32,000</u>
Non-audit services:		
Taxation compliance services	9,000	15,000
Total non-audit fees	<u>9,000</u>	<u>15,000</u>
Total fees (all borne by the company)	<u>40,650</u>	<u>47,000</u>
Bid costs	<u>526,410</u>	<u>689,961</u>

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2012 £	2011 £
Directors' remuneration:		
Emoluments	486,500	464,500
Pension contributions	51,850	49,562
	<u>538,350</u>	<u>514,062</u>
Highest paid director:		
Emoluments	246,000	234,500
Pension contributions	31,350	30,000
	<u>277,350</u>	<u>264,500</u>
Employee costs (including directors) during the year:		
Wages and salaries	2,607,471	2,524,733
Social security costs	338,987	303,208
Other pension costs	346,106	309,208
	<u>3,292,564</u>	<u>3,137,149</u>

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

Average number of persons including directors employed:

Administration	15	14
Project management	27	26
	<u>42</u>	<u>40</u>

5. OTHER INCOME

Other income comprises of dividends received from the following joint venture undertakings:

	2012 £	2011 £
Joint venture undertakings		
Redwood Partnership Ventures Limited	375,000	550,000
Redwood Partnership Ventures 2 Limited	575,000	-
Hadfield Healthcare Partnerships Holding Limited	-	37,500
	<u>950,000</u>	<u>587,500</u>

6. NET INTEREST RECEIVABLE

	2012 £	2011 £
Interest receivable		
Subordinated loans (Note 11)	2,702,432	2,655,534
Bank	155	142
	<u>2,702,587</u>	<u>2,655,676</u>
Interest payable		
UK parent company	(448)	(20,502)
Net interest receivable	<u>2,702,139</u>	<u>2,635,174</u>

7. PROFIT ON SALE OF INVESTMENTS

	2012 £	2011 £
Brentwood Healthcare Partnership Holding Limited ("BHPH")	-	2,796,058
Hadfield Healthcare Partnerships Holding Limited ("HHPH")	-	1,785,502
	<u>-</u>	<u>4,581,560</u>

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

8. TAXATION

(a) Tax credit for the year

	2012	2011
	£	£
Current tax:		
Payment for group relief received in respect of prior year	-	4,958
Deferred tax	-	-
	<u>-</u>	<u>4,958</u>

(b) Factors affecting tax charge for the year

The current tax charge for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2012	2011
	£	£
Profit on ordinary activities before tax	<u>1,702,433</u>	<u>5,285,344</u>
Profit on ordinary activities multiplied by the effective rate of UK corporation tax of 24.5% (2011: 26.5%)*	(417,096)	(1,400,616)
<i>Effects of:</i>		
Income not taxable	232,750	155,688
Depreciation in excess of capital allowances	(5,497)	(4,986)
Expenses not deductible for tax purposes	(10,320)	(5,508)
Transfer pricing adjustment	2,218	1,217
Group relief claimed for nil consideration	197,945	1,254,205
Adjustment in respect of prior year	-	4,958
Current tax credit for the year	<u>-</u>	<u>4,958</u>
*Blended rates for 2012 and 2011		

(c) Deferred taxation

A potential deferred tax asset of £1.2m (2011: £1.3m), primarily in relation to short-term timing differences, has not been recognised on the basis that it is not expected to have any practical value in the short term.

The standard rate of corporation tax was reduced to 23% on 1 April 2013. The Government has also announced that it intends to reduce the standard rate of corporation tax to 21% on 1 April 2014 and 20% on 1 April 2015, but these reductions had not been enacted in law at the balance sheet date.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

9. FIXED ASSETS - INVESTMENTS

	Shares in joint venture undertakings £
Cost and net book value	
At 1 January 2012	4,372,321
Additions	838,986
At 31 December 2012	<u>5,211,307</u>
<i>Comprising:</i>	
Children's Ark Partnerships Holdings Limited	245,000
Redwood Partnership Ventures Limited	962,501
Redwood Partnership Ventures 2 Limited	3,988,806
Clinicenta (Hertfordshire) Limited	15,000
	<u>5,211,307</u>
<i>Acquisitions:</i>	Percentage holding acquired
Children's Ark Partnerships Holdings Limited	16.7%
Central Blackpool PCC Holding Company Limited	25%
HDM Schools Solutions (Holdings) Limited	25%

On 25 July 2012 the company acquired the 15,000 shares held by minority investor in Children's Ark Partnerships Holdings Limited ("CAPH") for the sum of £55,000. On 21 September 2012 the company acquired 15,000 shares held by another minority investor in CAPH for £55,000.

On 04 July 2012 in order to finance RPV2's acquisition of Central Blackpool PCC Holding Company Limited, the company (25%) and its co-investor, Infrastructure Investment Limited Partnership ("IILP") (75%), subscribed £1.016m for new ordinary shares and £1.320m for subordinated loan notes in RPV2.

On 07 December 2012, in order to finance RPV2's acquisition of HDM Schools Solutions (Holdings) Limited, the company (25%) and its co-investor, Infrastructure Investment Limited Partnership ("IILP") (75%), subscribed £1.900m for new ordinary shares and £3,120m for subordinated loan notes in RPV2.

All the above companies are joint ventures principally involved in the UK Government's Private Finance Initiative ("PFI") and are registered and incorporated in Great Britain. A list of the company's current UK PFI projects is provided in Note 19.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

10. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 January 2012	113,499
Additions	24,162
At 31 December 2012	<u>137,661</u>
Depreciation	
At 1 January 2012	98,282
Charge for the year	22,438
At 31 December 2012	<u>120,720</u>
Net book value	
At 31 December 2012	<u>16,941</u>
At 31 December 2011	<u>15,217</u>

11. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Interest rate	2012 £	2011 £
Subordinated loans due from joint venture undertakings:			
Ealing Schools Partnerships Holdings Limited	13.00%	1,080,442	1,080,442
Kajima North Tyneside Holdings Limited	12.00%	1,210,236	1,210,236
Wooldale Partnerships Holdings Limited	12.60%	590,806	590,806
Kajima Haverstock Holding Limited	12.50%	882,292	908,337
Bootle Accommodation Partnership Holding Limited	12.50%	1,791,130	1,791,130
Kajima Darlington Schools Holding Limited	12.25%	1,489,296	1,489,296
Hadfield Healthcare Partnerships Holding Limited	12.50%	592,920	592,526
Children's Ark Partnerships Holding Limited	12.50%	5,060,573	5,060,573
Brentwood Healthcare Partnership Holding Limited	12.50%	567,329	567,329
Kajima Newcastle Libraries Limited	12.00%	1,573,182	1,625,188
Redwood Partnerships Ventures Limited	12.0 – 13.0%	2,941,967	2,941,967
Redwood Partnerships Ventures 2 Limited	9.75%	3,527,274	2,509,738
Academy Services (Norwich) Limited	13.00%	593,841	657,948
Academy Services (Oldham) Limited	13.00%	981,129	1,043,048
Academy Services (Sheffield) Limited	13.00%	464,745	494,075
Central Blackpool PCC Holding Company Limited	12.00%	360,253	-
HDM Schools Solutions (Holdings) Limited	12.50%	804,575	-
		<u>24,511,990</u>	<u>22,562,639</u>
Amount due from UK parent undertaking	Nil	5,250,922	5,250,922
		<u>29,762,912</u>	<u>27,813,561</u>

Recovery of the subordinated loans due will be from 2013 to 2037. These loans are on identical terms to subordinated loans of the same amounts by the above companies to their respective subsidiaries.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	417,061	25,307
Amounts owed by parent undertaking	5,972	5,972
Amounts owed by fellow subsidiary undertakings	2,405,936	1,627,968
Amounts owed by joint venture undertakings	409,194	93,483
Prepayments and accrued income	273,796	133,425
Other debtors	8,629	9,336
	<u>3,520,588</u>	<u>1,895,491</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	212,283	150,961
Amounts owed to UK parent undertaking	2,209,522	354,838
Amounts owed to fellow subsidiary undertakings	346,681	473,283
Other creditors	63,227	41,650
Other taxes and social security	97,755	92,139
Accruals and deferred income	1,501,533	1,229,112
	<u>4,431,001</u>	<u>2,341,983</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Loan from UK parent undertaking (unsecured)	<u>5,250,922</u>	<u>5,250,922</u>

The loan is interest-free and is not repayable within one year of the balance sheet date.

15. CALLED UP SHARE CAPITAL

	2012	2008
	£	£
Allotted, called up and fully paid		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

16. MOVEMENTS ON RESERVES AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2012	100,000	27,115,532	27,215,532
Profit for the year	-	1,702,433	1,702,433
	<u>100,000</u>	<u>28,817,965</u>	<u>28,817,965</u>

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

17. RELATED PARTY TRANSACTIONS

During the year, the company carried out a number of transactions with related parties in the normal course of business on an arm's length basis. The names of the related parties and the total value of the transactions are shown below:

	2012		2011	
	Value of transactions £	Receivable/ (payable) at year-end £	Value of transactions £	Receivable/ (payable) at year-end £
Ealing Schools Partnerships Limited	167,044	12,651	180,364	12,927
Ealing Schools Partnerships Holdings Limited	136,374	1,080,442	136,746	1,080,442
Kajima North Tyneside Limited	96,781	-	128,712	-
Kajima North Tyneside Holdings Limited	141,351	1,210,236	141,737	1,210,236
Wooldale Partnerships Limited	137,981	15,061	176,527	14,541
Wooldale Partnerships Holdings Limited	72,348	590,806	72,150	590,806
Bootle Accommodation Partnership Limited	180,521	(1,955)	260,372	28,613
Bootle Accommodation Partnership Holding Limited	217,647	1,791,130	218,242	1,791,130
Kajima Haverstock Limited	154,317	21,338	172,180	24,044
Kajima Haverstock Holding Limited	108,243	882,292	108,989	908,337
Children's Ark Partnerships Limited	135,411	59,548	92,759	-
Children's Ark Partnerships Holdings Limited	614,930	5,060,572	613,250	5,060,572
Kajima Darlington Schools Limited	140,701	20,552	175,278	13,605
Kajima Darlington Schools Holding Limited	177,459	1,489,296	177,459	1,489,296
Hadfield Healthcare Partnerships Limited	76,500	-	107,411	-
Hadfield Healthcare Partnerships Holding Limited	72,072	592,919	154,222	592,526
Brentwood Healthcare Partnership Limited	76,500	-	70,688	737
Brentwood Healthcare Partnership Holding Limited	68,938	567,329	138,192	567,329
Kajima Newcastle Libraries Limited	96,781	-	117,000	-
Kajima Newcastle Libraries Holding Limited	184,498	1,573,182	194,948	1,625,188
Redwood Partnership Ventures Limited ("RPVL")	698,828	3,121,966	410,544	2,940,985
Redwood Partnership Ventures 2 Limited ("RPV2")	1,417,934	3,587,274	171,721	2,509,738
Academy Services (Norwich) Limited	86,000	-	35,000	-
Academy Services (Norwich) Holdings Limited	74,955	593,841	57,948	657,948
Academy Services (Oldham) Limited	86,000	-	35,000	-
Academy Services (Oldham) Holdings Limited	123,838	981,129	93,048	1,043,048
Academy Services (Sheffield) Limited	86,000	-	35,000	-
Academy Services (Sheffield) Holdings Limited	58,660	464,745	44,075	494,075
Central Blackpool PCC Limited	35,000	42,000	-	-
Central Blackpool PCC Holding Company Limited	300,211	360,253	-	-
HDM Schools Solutions Limited	-	-	-	-
HDM Schools Solutions (Holdings) Limited	670,479	804,575	-	-

All the above amounts have arisen from transactions in the normal course of business. No amounts due from related parties have been provided for or written off as bad debts.

The nature of the transactions is as follows:

- Holding companies: interest receivable on subordinated loans.
- Project companies and RPVL and RPV2: management fees receivable, recharge of salaries and insurance premiums.

Transactions with other group companies are covered by the exemption that is conferred by Financial Reporting Standard 8, Related Party Disclosures that allows the company not to disclose transactions with group companies.

Kajima Partnerships Limited

Notes to the financial statements Year ended 31 December 2012

18. CURRENT PROJECTS

The company now holds investments in sixteen single purpose project companies via intermediate holding companies as follows:

Name	Client	Sector	Percentage holding	Financial close date	Stage
Kajima North Tyneside Limited	North Tyneside Council	Education	50% *	December 2002	Operation
Ealing Schools Partnerships Limited	London Borough of Ealing	Education	50% *	December 2002	Operation
Wooldale Partnerships Limited	Northampton Borough Council	Education	50% *	March 2003	Operation
Bootle Accommodation Partnership Limited	Health & Safety Executive	Office accommodation	50% *	October 2003	Operation
Kajima Haverstock Limited	London Borough of Camden	Education	50% *	October 2003	Operation
Kajima Darlington Schools Limited	Darlington Borough Council	Education	50% *	March 2004	Operation
Children's Ark Partnerships Limited	Brighton Health Care NHS Trust	Health	75%	June 2004	Operation
Kajima Newcastle Libraries Limited	Newcastle City Council	Education	50% *	June 2007	Operation
Brentwood Healthcare Partnership Limited	South West Essex Primary Care Trust	Health	25% **	June 2006	Operation
Hadfield Healthcare Partnership Limited	Sheffield Teaching Hospitals NHS Foundation Trust	Health	25% **	November 2004	Operation
Academy Services (Norwich) Limited	Norfolk County Council	Education	25% **	March 2006	Operation
Academy Services (Oldham) Limited	Oldham Metropolitan Borough Council	Education	25% **	May 2006	Operation
Academy Services (Sheffield) Limited	Sheffield City Council	Education	25% **	April 2005	Operation
Central Blackpool PCC Limited	NHS Blackpool	Health	25% **	December 2008	Operation
HDM Schools Solutions Limited	West Lothian Council	Education	25% **	August 2009	Operation
Clinicenta (Hertfordshire) Limited	Secretary of State for Health	Health	50%	April 2007	Operation

* These investments are held through the company's shareholding in Redwood Partnership Ventures Limited.

** These investments are held through the company's shareholding in Redwood Partnership Ventures 2 Limited.

The company is currently pursuing further PFI projects in all of the above and related sectors.

19. ULTIMATE AND IMMEDIATE PARENT COMPANY

The company's ultimate controlling entity, ultimate parent company and parent company of the largest group of which the company is a member and for which group financial statements are prepared is Kajima Corporation, a company incorporated in Japan. Copies of the group financial statements of Kajima Corporation are available from 2-7 Motoakasaka 1-chome, Minato-ku, Tokyo 107-8388 Japan.

The company's immediate parent is Kajima Estates (Europe) Limited, a company incorporated in Great Britain. The smallest group of which the company is a member and for which group financial statements are prepared is Kajima Europe Limited, also incorporated in Great Britain. Copies of the group financial statements are available from the registered office.