

Registrar

Company Registration No. 3203068

**FITZWILLIAM COLLEGE SERVICES LIMITED**

**Report and Financial Statements**

**31 July 2008**

MONDAY



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# **FITZWILLIAM COLLEGE SERVICES LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2008**

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**REPORT AND FINANCIAL STATEMENTS 2008**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

D A Cardwell  
C L M Pratt

**SECRETARY**

V D R Monteiro

**REGISTERED OFFICE**

The Bursary  
Fitzwilliam College  
Huntingdon Road  
Cambridge CB3 0DG

**BANKERS**

Barclays Bank plc  
Bene't Street Branch  
P O Box 2  
Cambridge CB2 3PZ

**SOLICITORS**

Hewitsons  
Shakespeare House  
42 Newmarket Road  
Cambridge CB5 8EP

**AUDITORS**

Peters, Elworthy and Moore  
Chartered Accountants  
Salisbury House  
Station Road  
Cambridge CB1 2LA

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 July 2008.

### **ACTIVITIES**

The principal activities of the company are the provision of employee support and conference management services.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The directors are satisfied with the progress of the company during the year, and are optimistic for the company's future prospects.

### **DIVIDENDS AND TRANSFERS TO RESERVES**

The directors do not recommend the payment of a dividend.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year are set out below. None of the directors had any beneficial interests in the shares of the company.

D A Cardwell  
C L M Pratt

### **AUDIT ENQUIRIES**

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Each of the directors has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **DONATIONS**

During the year the company made a charitable donation of £403,053 under deed of covenant.

### **AUDITORS**

A resolution to reappoint Peters Elworthy and Moore as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



V D R Monteiro

Secretary  
26 November 2008

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which 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 1985. 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 AUDITORS' REPORT TO THE SHAREHOLDERS OF FITZWILLIAM COLLEGE SERVICES LIMITED**

We have audited the financial statements of Fitzwilliam College Services Limited for the year ended 31 July 2008 set out on pages 6 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with 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 Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 with the company is not disclosed.

We read the Directors' Report 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) 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 the information in the financial statements.

**Qualified opinion arising on non-compliance with FRS 17**

Financial Reporting Standard 17 'Retirement Benefits' (FRS 17) requires disclosure of the cost of providing retirement benefits and the related gains, losses, assets and liabilities. As explained in note 8 the company has not obtained and disclosed the necessary information for the year ended 31 July 2008 and it is therefore not possible to quantify the effect of this departure. Except for the effect of not complying with FRS 17, in our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

**PETERS, ELWORTHY & MOORE**  
Chartered Accountants and  
Registered Auditor

**CAMBRIDGE**  
Date:

# FITZWILLIAM COLLEGE SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 July 2008

	Note	2008 £	2007 £
<b>TURNOVER</b>		3,274,486	3,170,315
Cost of sales		(2,870,704)	(2,730,473)
		-----	-----
Gross profit		403,782	439,842
Administrative costs		(729)	(684)
		-----	-----
<b>OPERATING PROFIT</b>	2	403,053	439,158
Amounts covenanted to charitable body		(403,053)	(439,158)
		-----	-----
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		0	0
<b>CARRIED FORWARD</b>		=====	=====

All amounts relate to continuing activities.

There were no recognised gains or losses other than the result for the period.

There were no differences between the historical cost profits and those recognised through the profit and loss account.

# FITZWILLIAM COLLEGE SERVICES LIMITED

## BALANCE SHEET 31 July 2008

	Note	2008 £	2007 £
<b>CURRENT ASSETS</b>			
Debtors	4	528,681	614,230
Cash at bank and in hand		37,175	13,620
		<u>565,856</u>	<u>627,850</u>
<b>CREDITORS</b>			
Amounts falling due within one year	5	<u>565,854</u>	<u>627,848</u>
<b>NET ASSETS</b>		<u>2</u>	<u>2</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	2	2
Profit and loss account		0	0
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>2</u>	<u>2</u>

These financial statements were approved by the Board of Directors on 26 November 2008.

Signed on behalf of the Board of Directors



C L Pratt

Director



**ACCOUNTING POLICIES**

**Year ended 31 July 2008**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Cash flow statement**

The directors have taken advantage of the small companies' exemption and a statement of cash flows for the period has not been prepared.

**Turnover**

The turnover and operating profit for the period are stated net of Value Added Tax and were derived from the company's principal activities carried out wholly in the UK.

**Pension scheme**

The Company pays contributions to two pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the Company.

**Universities Superannuation Scheme**

The Company participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

**Fitzwilliam College Assistant Staff Superannuation Fund**

The Company also contributes to the Fitzwilliam College Assistant Staff Superannuation Fund, which is a similar defined benefit pension scheme. Pension costs are recognised on a systematic basis so that the costs of providing retirement benefits to employees are matched evenly, so far as possible, to the service lives of the employees concerned.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 July 2008**

**1. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The average number of persons, including directors, employed by the company during the year was 82 (2007 93), all of whom were engaged in the provision of services.

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	2,054,047	1,976,240
Social security costs	144,507	136,429
Other pension costs	390,470	331,621
	<u>2,589,024</u>	<u>2,444,290</u>

The directors received no emoluments during the year.

**2. OPERATING PROFIT**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Operating profit is after charging:		
Auditors' remuneration	<u>689</u>	<u>644</u>

**3. TAXATION**

No charge arises for the year as the company has no taxable profit.

**4. DEBTORS**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,486	18,620
Amounts owed by parent undertaking	513,195	595,610
	<u>528,681</u>	<u>614,230</u>

**5. CREDITORS**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Amounts owed to parent undertaking	403,053	439,158
Other creditors	162,801	188,690
	<u>565,854</u>	<u>627,848</u>

# FITZWILLIAM COLLEGE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 2008

### 6. CALLED UP SHARE CAPITAL

	2008 £	2007 £
Authorised 100 ordinary shares of £1 each	100	100
Allotted and fully paid 2 ordinary shares of £1 each	2	2

### 7. FINANCIAL COMMITMENTS

No capital expenditure had been committed or authorised by the year end.

### 8. PENSIONS

#### Universities Superannuation Scheme

The Company participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. Because of the mutual nature of the scheme, the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2005. The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum (plus an additional allowance for increases in salaries due to age and promotion and a further amount of £800m of liabilities to reflect recent experience) and pensions would increase by 2.9% per annum. In relation to the future service liabilities, it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% per annum.

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

Since 31 March 2005 the funding level of the scheme has undergone considerable volatility. The actuary has estimated that the funding level had increased to 91% at 31 March 2007 but that at 31 March 2008 it had fallen back to 77%. This fluctuation in the scheme's funding level is due to a combination of the volatility of the investment returns on the scheme's assets in the period since 31 March 2005 compared to the returns allowed for in the funding assumptions and also the changing gilt yields, which are used to place a value on the scheme's liabilities.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 July 2008**

**8. PENSIONS (continued)**

**Universities Superannuation Scheme**

These estimated funding levels are based on the funding levels at 31 March 2005, adjusted to reflect the fund's actual investment performance and changes in gilt yields (ie the valuation rate of interest). On the FRS17 basis, using a AA bond discount rate of 6% based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%. An estimate of the funding level measured on a buy-out basis was approximately 78%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of pensionable salaries. Surpluses or deficits which arise at future valuations may impact on the Company's future contribution commitment.

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The total pension cost for the Company was £214,271 (2007: £164,281). The contribution rate payable by the Company was 14% of pensionable salaries.

**Fitzwilliam College Assistant Staff Superannuation Fund**

The Company also operates an insured pension fund providing defined benefits to employees based on their final pensionable salary. Contributions to the fund are based on the recommendation of professional advisors and with the agreement of the fund's actuary. The assets of the Fund are principally invested in a Unitised With-Profits policy with Norwich Union.

The fund was valued by an independent actuary as at 1 August 2006. The valuation was carried out using the Defined Accrued Benefit method which is more appropriate for a Scheme which has ceased accrual.

The past service liability is calculated by estimating the future benefit payments from the Scheme based on pensionable service up to the date accrual ceased and final pensionable salaries projected to retirement. These are then discounted back to the valuation date at the valuation rate of interest. This gives the present value of the liabilities accrued up to the valuation date.

The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments and the rates of increase in salary and pensions. It was assumed that the yield up to retirement would be 5.75% per annum, salary increases would be 4.75% per annum and pensions would increase by 3.25% per annum.

At the valuation date, the value of the assets of the scheme was £1,930,000 and the value of the past service liabilities was £3,230,000 indicating a deficit of £1,300,000. The assets therefore were sufficient to cover 60% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The last full actuarial valuation showed a deficit of £1,090,000. The main reasons for the change between this deficit and the actual deficit produced now of £1,300,000 related mainly to changes in the assumptions previously made.

The actuary also valued the scheme on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date). On this basis the actuary estimated that the funding level would have been approximately 52%.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 July 2008**

**8. PENSIONS (continued)**

**Fitzwilliam College Assistant Staff Superannuation Fund**

Due to the current deficit a recovery plan has been put in place to ensure the statutory funding objective is met within a stated period. To eliminate the funding deficit, the employer agreed to contribute £179,000 each year from 1 October 2007 to 31 July 2016.

The next formal triennial actuarial valuation is due as at 1 August 2009.

The net charge to the profit and loss account during the year was £179,000.

Financial Reporting Standard 17 requires disclosure in the financial statements of the fair value of the assets and liabilities arising from the company's retirement benefit obligations and any related funding at each balance sheet date. It also requires disclosure of key actuarial assumptions, the costs of providing retirement benefits, the related finance costs and any other changes in value of the assets and liabilities. The information shown is to be updated by the scheme's actuary at each balance sheet date. The directors have concluded that it is not in their interests to incur the costs of an annual actuarial valuation. The above note therefore includes corresponding information from the most recent triennial valuation performed by the actuary for the pension scheme. It is not practicable to quantify the effect of this departure from accounting standards.

**9. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of Fitzwilliam College, Cambridge. All profits, as defined in the deed, are payable to the parent under a deed of covenant.

The amounts owing to and by the company at 31 July 2008 are shown in notes 4 and 5 to the financial statements. The whole of the turnover for the year relates to transactions with the parent.

The parent publishes consolidated accounts.

Registrar

Company Registration No. 2824528

**KAWAKAWA BAY LIMITED**

**Report and Financial Statements**

**31 July 2008**

**REPORT AND FINANCIAL STATEMENTS 2008**

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**REPORT AND FINANCIAL STATEMENTS 2008**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

C L M Pratt  
D M Thompson

**SECRETARY**

V D R Monteiro

**REGISTERED OFFICE**

Bursars' Office  
Fitzwilliam College  
Huntingdon Road  
Cambridge CB3 0DG

**BANKERS**

Barclays Bank plc  
Bene't Street Branch  
P O Box 2  
Cambridge CB2 3PZ

**SOLICITORS**

Hewitsons  
Shakespeare House  
42 Newmarket Road  
Cambridge CB5 8EP

**AUDITORS**

Peters, Elworthy and Moore  
Chartered Accountants  
Salisbury House  
Station Road  
Cambridge CB1 2LA



## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 July 2008.

### **ACTIVITIES**

The principal activity of the company is the provision of launderette services.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The directors are satisfied with the progress of the company during the year, and are optimistic for the company's future prospects.

### **DIVIDENDS AND TRANSFERS TO RESERVES**

The directors do not recommend the payment of a dividend.

### **FIXED ASSETS**

Changes in fixed assets are set out in note 4 to the accounts.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served throughout the year are set out below. None of the directors had any beneficial interests in the shares of the company.

C L M Pratt            Chairman  
D M Thompson

### **AUDIT ENQUIRIES**

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Each of the directors has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

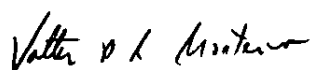
### **DONATIONS**

During the year the company made a charitable donation of £3,810 under deed of covenant.

### **AUDITORS**

A resolution to reappoint Peters, Elworthy and Moore as auditors to the company will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



V D R Monteiro

Secretary  
26 November 2008

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which 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 1985. 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 AUDITORS' REPORT TO THE SHAREHOLDERS OF KAWAKAWA BAY LIMITED**

We have audited the financial statements of Kawakawa Bay Limited for the year ended 31 July 2008 set out on pages 6 to 10. These 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 Section 235 of the Companies Act 1985. 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 directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with 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 Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 with the company is not disclosed.

We read the Directors' Report 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) 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.

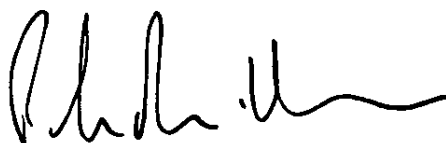
We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

**PETERS, ELWORTHY & MOORE**  
Chartered Accountants and  
Registered Auditor



**CAMBRIDGE**  
Date:

**KAWAKAWA BAY LIMITED****PROFIT AND LOSS ACCOUNT**  
**Year ended 31 July 2008**

	Note	2008 £	2007 £
<b>TURNOVER</b>		17,225	16,609
Cost of sales		(12,762)	(12,758)
		-----	-----
Gross profit		4,463	3,851
Administrative costs		(653)	(603)
		-----	-----
<b>OPERATING PROFIT</b>	2	3,810	3,248
Amounts covenanted to charitable body		(3,810)	(3,248)
		-----	-----
<b>PROFIT FOR THE FINANCIAL YEAR</b>		0	0
Accumulated loss brought forward		(270)	(270)
		-----	-----
Accumulated loss carried forward		(270)	(270)
		=====	=====

All amounts relate to continuing activities.

There were no recognised gains or losses other than the result for the financial year and the preceding financial year.

There were no differences between the historical cost profits and those recognised through the profit and loss account.

# KAWAKAWA BAY LIMITED

## BALANCE SHEET 31 July 2008

	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible assets	4	1,271	1,695
<b>CURRENT ASSETS</b>			
Amounts owed by parent undertaking		3,470	4,519
Cash at bank and in hand		4,207	1,743
		7,677	6,262
<b>CREDITORS: amounts falling due within one year</b>			
Amounts owed to parent undertaking		3,810	3,248
Taxation and social security		522	475
Accruals and deferred income		4,884	4,502
		9,216	8,225
<b>NET CURRENT LIABILITIES</b>		(1,539)	(1,963)
<b>NET LIABILITIES</b>		(268)	(268)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	2	2
Profit and loss account		(270)	(270)
<b>EQUITY SHAREHOLDERS' FUNDS</b>		(268)	(268)

These financial statements were approved by the Board of Directors on 26 November 2008.

Signed on behalf of the Board of Directors



C L Pratt

Director

**ACCOUNTING POLICIES**

**Year ending 31 July 2008**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Cash flow statement**

The directors have taken advantage of the small companies' exemption and a statement of cash flows for the year has not been prepared.

**Turnover**

Turnover represents the invoiced value of sales net of value added tax and was derived from the company's principal activities carried out in the UK.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost of the assets over their estimated useful working lives, and is provided using the reducing balance method at 25% pa.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 July 2008**

**1. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	nil	nil

The company does not have any employees other than the directors.

**2. OPERATING PROFIT**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Operating profit is after charging:		
Auditors' remuneration	610	563
Depreciation of tangible fixed assets	424	565

**3. TAXATION**

No charge arises for the year as the company has no taxable profit.

**4. TANGIBLE FIXED ASSETS**

	<b>2008</b>
	<b>Plant and Machinery</b>
<b>Cost</b>	
At 1 August 2007	18,913
Additions	-
At 31 July 2008	18,913
<b>Depreciation</b>	
At 1 August 2007	17,218
Charge for the year	424
At 31 July 2008	17,642
<b>Net book value</b>	
At 31 July 2008	1,271
At 31 July 2007	1,695

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 July 2008**

**5. CALLED UP SHARE CAPITAL**

	2008 £	2007 £
Authorised 100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted and fully paid 2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

**6. FINANCIAL COMMITMENTS**

No capital expenditure had been committed or authorised at the year end (2007 £nil)

**7. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of Fitzwilliam College, Cambridge. All profits, as defined in the deed, are payable to the parent under a deed of covenant.

The year end balances with the parent are shown under debtors and creditors.

The parent publishes consolidated accounts.