

**KMC (PEMBROKE) LIMITED**

**Abbreviated Accounts**

**30 June 2005**



**INDEPENDENT AUDITORS' REPORT TO  
KMC (PEMBROKE) LIMITED PURSUANT TO  
SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts which comprise the balance sheet and the related notes 1 to 5 together with the financial statements of KMC (Pembroke) Limited prepared under section 226 Companies Act 1985 for the year ended 30 June 2005.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters that we are required to state to it in a special 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, for our work, for this report, or for the opinions that we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with sections 246(5) and (6) Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with those sections and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion, the company is entitled under sections 247 and 247A Companies Act 1985 to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) Companies Act 1985, in respect of the year ended 30 June 2005 and the abbreviated accounts have been properly prepared in accordance with those provisions.

*Deloitte Touche W.*

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Cardiff, United Kingdom

Date *18 April 2006*.....

**BALANCE SHEET**  
**30 June 2005**

	Note	2005 £	2004 £
<b>CURRENT ASSETS</b>			
Debtors	2	8,486,040	8,540,998
Current asset investments		1,079,236	887,796
Cash at bank and in hand		3,953	97,203
		<u>9,569,229</u>	<u>9,525,997</u>
<b>CREDITORS: amounts falling due within one year</b>	3	<u>(1,268,930)</u>	<u>(1,189,415)</u>
<b>NET CURRENT ASSETS</b>		8,300,299	8,336,582
<b>CREDITORS: amounts falling due after more than one year</b>	3	<u>(7,505,935)</u>	<u>(7,775,264)</u>
<b>NET ASSETS</b>		<u>794,364</u>	<u>561,318</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	13,357	13,357
Profit and loss account		<u>781,007</u>	<u>547,961</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>794,364</u>	<u>561,318</u>

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Board of Directors on 1 March 2006

Signed on behalf of the Board of Directors

R J Roberts  
Director



**NOTES TO THE BALANCE SHEET****Year ended 30 June 2005****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the financial year and the prior financial period, are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Accounting for PFI contracts**

Where there are agreements which transfer substantially all the risks and rewards associated with ownership to the customer, amounts receivable are classified as amounts receivable under PFI contracts within debtors.

Future revenues from the customer will be apportioned between capital repayments, finance income and operating revenue.

Finance income is allocated in order to obtain a constant rate of return over the contract term.

**Taxation**

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

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 the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Turnover**

Turnover represents amounts invoiced in respect of services provided during the financial year, exclusive of value added tax, and relates to the company's principal activity. Turnover includes finance income of £799,357 (2004 - £990,458).

Turnover is recognised in line with the period to which it relates.

**2. DEBTORS**

Included within debtors are amounts receivable under PFI contracts of £8,376,814 (2004 - £8,462,574) due after more than one year.

**3. CREDITORS**

Included within creditors are bank loans of £7,771,406 (2004 - £8,033,780) secured by a fixed and floating charge over all of the company's assets.

**4. CALLED UP SHARE CAPITAL**

	2005 £	2004 £
<b>Authorised</b>		
13,357 ordinary shares of £1 each	13,357	13,357
<b>Allotted, called up and fully paid</b>		
13,357 ordinary shares of £1 each	13,357	13,357

**NOTES TO THE BALANCE SHEET**

**Year ended 30 June 2005**

**5. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent undertaking of KMC (Pembroke) Limited is Macob Holdings Limited, a company registered in Wales. The ultimate controlling party is Mr R J Roberts, who owns 100% of the issued share capital of Macob Holdings Limited, which in turn owns 80% of the issued share capital of Macob Projects Limited.

The financial statements of both Macob Holdings Limited and Macob Projects Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.