

**REGISTRAR OF
COMPANIES**

KMC (PEMBROKE) LIMITED

Abbreviated Accounts

30 June 2008



**INDEPENDENT AUDITORS' REPORT TO KMC (PEMBROKE) LIMITED
UNDER 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 for the year ended 30 June 2008, prepared under section 226 of the Companies Act 1985.

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 section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies 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 conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin, we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Cardiff, United Kingdom

Date... *24 February 2009*

KMC (PEMBROKE) LIMITED

BALANCE SHEET
30 June 2008

	Note	2008 £	2007 £
CURRENT ASSETS			
Debtors	2	8,221,311	8,302,921
Current asset investments		1,157,830	1,139,579
Cash at bank and in hand		25,882	45,157
		<u>9,405,023</u>	<u>9,487,657</u>
CREDITORS: amounts falling due within one year			
	3	<u>(1,129,834)</u>	<u>(1,201,005)</u>
NET CURRENT ASSETS			
		8,275,189	8,286,652
CREDITORS: amounts falling due after more than one year			
	3	<u>(6,656,312)</u>	<u>(6,953,415)</u>
NET ASSETS			
		<u>1,618,877</u>	<u>1,333,237</u>
CAPITAL AND RESERVES			
Called up share capital	4	13,357	13,357
Profit and loss account		1,605,520	1,319,880
SHAREHOLDERS' FUNDS			
		<u>1,618,877</u>	<u>1,333,237</u>

The financial statements 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 24 February 2009
Signed on behalf of the Board of Directors

R J Roberts
Director



NOTES TO THE BALANCE SHEET
Year ended 30 June 2008

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 current and the prior financial year, 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 within debtors as amounts receivable under PFI contracts.

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.

Derivative financial instruments

The company holds derivative financial instruments which have the effect of fixing the interest rate payable on bank borrowings. Amounts payable or receivable in respect of interest rate derivatives are recognised as adjustments to interest over the period of the contract.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively 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 and revenue recognition

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 £775,039 (2007 - £783,814).

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

2. DEBTORS

Included within debtors are amounts receivable under PFI contracts of £8,068,308 (2007 - £8,189,242) due after more than one year.

3. CREDITORS

Included within creditors are bank loans of £6,945,696 (2007 - £7,223,505) secured by a fixed and floating charge over all of the company's assets.

NOTES TO THE BALANCE SHEET
Year ended 30 June 2008

4. CALLED UP SHARE CAPITAL

	2008	2007
	£	£
Authorised		
13,357 ordinary shares of £1 each	13,357	13,357
	<u>13,357</u>	<u>13,357</u>
Allotted, called up and fully paid		
13,357 ordinary shares of £1 each	13,357	13,357
	<u>13,357</u>	<u>13,357</u>

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 92% of the issued share capital of Macob Holdings Limited, which in turn owns 80% of the issued share capital of Macob Projects Limited. Macob Holdings Limited is the smallest and the largest group of which the company is a member and for which group financial statements are prepared.

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