

**WRG Wrexham PFI Holdings  
Limited**

**Directors' report and financial  
statements**

Registered number 05567332

For the year ended 31 December 2009



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## **Statutory information**

### **Directors**

P Taylor  
VF Orts-Llopis  
A Serrano Minchan

### **Joint Company Secretary**

C Favier-Tilston  
C De Feo

### **Registered office**

Ground Floor West  
900 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7RG

### **Auditors**

Deloitte LLP  
2 New Street Square  
London  
EC4A 3BZ

## Directors' report

The directors (the "Directors") of WRG Wrexham PFI Holdings Limited (the "Company") present their annual report and the audited financial statements for the year ended 31 December 2009

### Principal activity and developments in the year

The principal activity of the Company is that of an investment holding company. There were no developments during the financial year.

### Results

The results for the year are set out on page 6. The profit before taxation amounted to £nil (2008: £nil). No dividend payment was proposed by the Directors or paid during the year.

### Directors

The Directors who served as directors of the Company during the year ended 31 December 2009 and up to the date of this report were as follows:

P Taylor	(appointed 1 December 2009)
VF Orts-Llopis	(appointed 1 August 2009)
SN Jennings	(resigned 1 December 2010)
A Serrano	(appointed 1 December 2009)
J Plant	(appointed 1 August 2009 and resigned 1 January 2010)
J Meredith	(resigned 27 November 2009)
LJD Cassells	(resigned 30 November 2009)

### Directors' Indemnities

During the financial year, qualifying third party indemnity provisions for the benefit of all Directors of the Company were in force and continue to be in force at the date of this report. Such provisions were made by Waste Recycling Group Limited, the intermediate parent company domiciled in the UK.

### Going concern

Having made appropriate enquiries, the Directors consider it reasonable to assume that the Company has adequate resources to continue for the foreseeable future, and for this reason, have continued to adopt the going concern basis in preparing the accounts.

### Disclosure of information to auditors

Each of the Directors who held office at the date of approval of this Directors' report confirms that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each Director has taken all the 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.

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

### Financial risk management

The Company balance sheet contains a loan receivable from a subsidiary undertaking, WRG Wrexham PFI Limited and a loan payable to its parent undertaking, WRG PFI Holdings Limited. These loans bear interest at equal rates. The Company does not therefore bear significant credit or liquidity risk.

## **Directors' report** *(continued)*

### **Auditors**

During the year KPMG LLP resigned as auditors and Deloitte LLP ("Deloitte") were appointed as auditors to the Company and each of its subsidiaries. Pursuant to Section 487 of the Act, Deloitte will be deemed to be reappointed as auditors until further notice.

By order of the Board of Directors on 22 April 2010



**C De Feo**  
Joint Company Secretary

## **Directors' responsibilities statement in respect of the Directors' report and the financial statements**

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK 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 their profit or loss for that period. In preparing the 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, subject to any material departures disclosed and explained in the parent company financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent 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 its financial statements comply with the Companies Act 2006. They 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.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditors' report to the members of WRG Wrexham PFI Holdings Limited**

We have audited the financial statements of WRG Wrexham PFI Holdings Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 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**

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 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 (APB'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.

### **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 2009 and of its result 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.

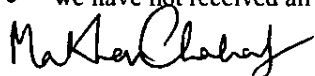
### **Opinion on other matter prescribed by the Companies Act 2006**

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.



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

27 April 2010

## Profit and loss account

year ended 31 December 2009

	<i>Note</i>	<b>2009 £000</b>	<b>2008 £000</b>
Interest receivable on loan note in subsidiary company		<b>85</b>	-
Interest payable on loan note to parent company		<b>(85)</b>	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	<b>2</b>	-	-
Tax on profit on ordinary activities	<b>3</b>	-	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>	<b>10</b>	-	-
		<hr/>	<hr/>

All results are derived from continuing operations

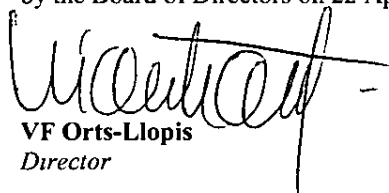
There are no recognised gains and losses in either the current or previous financial year other than as stated in the profit and loss account. Therefore, no separate statement of total recognised gains and losses has been presented.



**Balance sheet**  
*at 31 December 2009*

	<i>Note</i>	<b>2009 £000</b>	<b>2008 £000</b>
<b>Fixed assets</b>			
Investments	4	20	20
<b>Current assets</b>			
Debtors: amounts due after more than one year	5	3,248	-
Debtors: amounts due within one year	6	84	-
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	7	<b>3,332 (84)</b>	<b>20 -</b>
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>3,268</b>	<b>20</b>
		<hr/>	<hr/>
<b>Creditors: amounts falling due after more than one year</b>	8	<b>(3,248)</b>	<b>-</b>
		<hr/>	<hr/>
<b>Net assets</b>		<b>20</b>	<b>20</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	9	20	20
Profit and loss account		-	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>	10	<b>20</b>	<b>20</b>
		<hr/>	<hr/>

These financial statements for WRG Wrexham PFI Holdings Limited (registered number 05567332) were approved by the Board of Directors on 22 April 2010 and were signed on its behalf by

  
**VF Orts-Llopis**  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

These financial statements are prepared in accordance with applicable United Kingdom accounting standards

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### *Accounting convention*

The financial statements are prepared under the historical cost convention

#### *Cash flow exemption*

The Company has taken advantage of the exemption, conferred by Financial Reporting Standard 1 (Revised) from presenting a cash flow statement as it is a wholly owned subsidiary of a group which has prepared a consolidated cash flow statement

#### *Consolidation*

The Company has claimed exemption from the preparation of consolidated financial statements under section 400 of the Companies Act 2006 as it is a subsidiary of a group which has prepared consolidated financial statements. Accordingly, these financial statements present information about the Company and not the Group

#### *Investments*

Investments are stated at cost less provision for any impairment in value

### 2 Profit on ordinary activities before tax

Auditors' remuneration in respect of audit fees totalling £1,000 has been borne by Waste Recycling Limited, a fellow subsidiary undertaking of the Company's ultimate parent, Fomento de Construcciones y Contratas, S A ('FCC')

### 3 Tax on profit on ordinary activities

	2009 £000	2008 £000
<b>Corporation tax</b>		
United Kingdom corporation tax at 28% (2008 28.5%)	-	-
	<hr/>	<hr/>

There is no difference between the total current tax as shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax

## Notes (continued)

### 4 Investments

	Investment in subsidiary undertaking £000
<i>Cost</i>	
At 1 January 2009 and 31 December 2009	20

The Company beneficially owns the entire issued share capital of the following company

Name of company	Country of incorporation	Nature of business
WRG Wrexham PFI Limited	England and Wales	PFI Contract Management

On 2 May 2007, the Company gave a debenture over all of its present and future assets, rights and undertaking (including its investment in the share capital of WRG Wrexham PFI Limited) to Norddeutsche Landesbank Girozentrale (London Branch) under a Credit Agreement in connection with the Wrexham Waste PFI Project

### 5 Debtors: amounts due after more than one year

	2009 £000	2008 £000
Unsecured subordinated loan notes in WRG Wrexham PFI Limited	3,248	-

The subordinated loan notes in WRG Wrexham PFI Limited have a final redemption date of 30 September 2032 and bear interest at a fixed rate of 10% per annum

### 6 Debtors: amounts due within one year

	2009 £000	2008 £000
Unsecured subordinated loan notes in WRG Wrexham PFI Limited	84	-

### 7 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Unsecured subordinated loan notes issued to WRG PFI Holdings Limited	84	-

### 8 Creditors: amounts falling due after more than one year

	2009 £000	2008 £000
Unsecured subordinated loan notes issued to WRG PFI Holdings Limited	3,248	-

The subordinated loan notes issued to the immediate parent company WRG PFI Holdings Limited have a final redemption date of 30 September 2032 and bear interest at a fixed rate of 10% per annum

## Notes (continued)

### 9 Called up share capital

	2009 £	2008 £
<i>Authorised, called up and allotted</i>		
20,065 ordinary shares of £1 each (2008 20,065 ordinary shares of £1 each)	20,065	20,065
35 non-voting shares of £1 each (2008 35 non-voting shares of £1 each)	35	35
	<hr/>	<hr/>
	20,100	20,100
	<hr/>	<hr/>

The rights attaching to the respective classes of shares are as follows

#### Voting

Ordinary Shares shall confer on each holder the right to receive notice, to attend, speak and vote at all general meetings

Non-voting shares shall confer on each holder the right to receive notice, to attend and speak at all general meetings but shall not confer the right to vote

#### Income and Capital

As regards income and capital, the ordinary shares and non-voting shares shall rank *pari passu* in all respects. Consequently, both classes of shares have been treated as equity shares

### 10 Reconciliation of movements in shareholders' funds

	2009 £000	2008 £000
Profit/(loss) for the financial year	-	-
	<hr/>	<hr/>
Net additions to shareholders' funds	-	-
Opening shareholders' funds	20	20
	<hr/>	<hr/>
Closing shareholders' funds	20	20
	<hr/>	<hr/>

### 11 Related party transactions

The Directors regard all subsidiaries of FCC as related parties

There were no related party transactions during the year other than as disclosed in the notes to these financial statements

### 12 Ultimate parent company

The immediate parent of the Company is WRG PFI Holdings Limited, a company registered in England and Wales

The Directors regard FCC, a company registered in Spain, as the ultimate controlling party and the ultimate parent entity. FCC is the parent company of the largest group of which the Company is a member and for which group accounts are drawn up

Copies of the financial statements of FCC are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG