

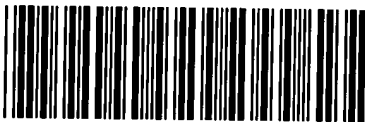
Company Registration No. 02046398 (England and Wales)

RESOURCES MANAGEMENT U.K. LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED ENDED
30 APRIL 2016**

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RESOURCES MANAGEMENT U.K. LIMITED

COMPANY INFORMATION

Directors	Mr J Potter Miss D Potter
Company number	02046398
Registered office	Potter House Henfaes Lane Welshpool Powys Wales SY21 7BE
Auditor	RSM UK Audit LLP Chartered Accountants Hartwell House 55-61 Victoria Street Bristol BS1 6AD

RESOURCES MANAGEMENT U.K. LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED ENDED 30 APRIL 2016

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 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 accounting estimates that are reasonable and prudent;
- 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.

RESOURCES MANAGEMENT U.K. LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	4		2,065,661		1,586,128
Current assets					
Stocks		1,000		1,000	
Debtors	5	2,329,943		1,593,930	
Cash at bank and in hand		319,505		250,846	
		<u>2,650,448</u>		<u>1,845,776</u>	
Creditors: amounts falling due within one year	6	<u>(2,060,254)</u>		<u>(1,267,981)</u>	
Net current assets			590,194		577,795
Total assets less current liabilities			2,655,855		2,163,923
Creditors: amounts falling due after more than one year	7		(147,403)		-
Provisions for liabilities	8		<u>(1,660,243)</u>		<u>(1,743,217)</u>
Net assets			<u>848,209</u>		<u>420,706</u>
Capital and reserves					
Called up share capital	10		660		660
Profit and loss reserves	11		<u>847,549</u>		<u>420,046</u>
Total equity			<u>848,209</u>		<u>420,706</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28/4/17 and are signed on its behalf by:



Miss D Potter
Director

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED ENDED 30 APRIL 2016

1 Accounting policies

Company information

Resources Management U.K. Limited is a private company limited by shares incorporated in England and Wales. The registered office is Potter House, Henfaes Lane, Welshpool, Powys, Wales, SY21 7BE.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Transition to FRS 102

These financial statements are the first financial statements of Resources Management U.K. Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Resources Management U.K. Limited for the period ended 30 April 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Going concern

The company's forecasts and projections taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities and is expected to continue to generate positive cashflows, including support from group companies.

The directors have no reason to believe that any material uncertainties exist that may cast significant doubt about the ability of the company to continue as a going concern or its ability to continue with the current banking arrangements. There is a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. The company therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied. Revenue is measured at fair value of the consideration received including landfill tax where appropriate, and exclusive of trade discounts, rebates, Value Added Tax and other sales taxes or duties.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land & Buildings	15 years straight line
Landfill site	On the basis of voidspace used
Plant & machinery	4-15 years straight line
Fixtures & fittings	4-5 years straight line
Motor vehicles	4-5 years straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity. Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Provisions

Provisions for environmental and landfill costs include provisions associated with the closure and post-closure of landfill sites. The company estimates its total future requirements for closure costs and for post-closure monitoring and maintenance of the site after the anticipated closure.

Closure costs:

Provision is made for the final capping and site inspection costs. These costs are incurred during the operating life of the site and the company provides for these costs as the permitted airspace is used.

Post-closure costs:

Provision is made for inspection, ground water monitoring, leachate management, methane gas control and recovery, and the operation and maintenance costs to be incurred during the period after the site closes.

Post-closure provisions have been shown at net present value. The current cost estimated has been inflated at 2.5% (2015 - 2.5%) and discounted by 5.1% (2015 - 5.1%). The unwinding of the discount element is shown in the financial statements as a financial item.

Future revenues from the generation of electricity from landfill gas during the post-closure period, where contracts are in place for its sale, are deducted from the provision balances and are discounted in line with the post-closure provision.

The company provides for both closure and post-closure costs as the permitted airspace is used. In accordance with Section 21 "Provisions, Contingent Liabilities and Contingent Assets", full provision has been made for the company's minimum unavoidable costs.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

1 Accounting policies (Continued)

Retirement benefits

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Contributions are made by the company and the employees to a separate administered fund.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Research and development

All research and development costs are written off as incurred.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year ended was 18 (2015 - 16)

	2016 Number	2015 Number
Operations	15	14
Administration and management	3	2
	<u>18</u>	<u>16</u>

3 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	67,819	36,100
Adjustments in respect of prior periods	3,095	-
	<u>70,914</u>	<u>36,100</u>
Total current tax		

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

3 Taxation (Continued)

Deferred tax

Origination and reversal of timing differences	37,500	(5,000)
Changes in tax rates	15,500	-
Total deferred tax	53,000	(5,000)
Total tax charge	123,914	31,100

4 Tangible fixed assets

	Land & Buildings £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 May 2015	2,899,249	948,842	45,104	-	3,893,195
Additions	-	635,138	-	21,297	656,435
At 30 April 2016	2,899,249	1,583,980	45,104	21,297	4,549,630
Depreciation and impairment					
At 1 May 2015	1,596,310	693,615	17,142	-	2,307,067
Depreciation charged in the year ended	15,446	150,382	6,814	4,260	176,902
At 30 April 2016	1,611,756	843,997	23,956	4,260	2,483,969
Carrying amount					
At 30 April 2016	1,287,493	739,983	21,148	17,037	2,065,661
At 30 April 2015	1,302,939	255,227	27,962	-	1,586,128

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED ENDED 30 APRIL 2016

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	909,247	792,800
Amounts due from group undertakings	137,056	-
Other debtors	161,284	646,130
	<u>1,207,587</u>	<u>1,438,930</u>
Deferred tax asset	102,000	155,000
	<u>1,309,587</u>	<u>1,593,930</u>
Amounts falling due after more than one year:		
Other debtors	1,020,356	-
	<u>1,020,356</u>	<u>-</u>
Total debtors	<u>2,329,943</u>	<u>1,593,930</u>

6 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	-	434
Obligations under finance leases	85,034	-
Trade creditors	251,012	276,631
Amounts due to group undertakings	633,330	275,816
Corporation tax	107,014	36,100
Other taxation and social security	268,864	224,156
Other creditors	451,930	391,256
Accruals and deferred income	263,070	63,588
	<u>2,060,254</u>	<u>1,267,981</u>

Hire purchase obligations are secured by way of a fixed charge on the underlying asset.

Resources Management U.K. Limited, Potter's Waste Management Limited and Sundorne Products (Llanidloes) Limited have provided joint bank guarantees over group bank loans.

7 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Obligations under finance leases	147,403	-
	<u>147,403</u>	<u>-</u>

Hire purchase obligations are secured by way of a fixed charge over the underlying asset.

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED ENDED 30 APRIL 2016

8 Provisions for liabilities

	2016 £	2015 £
Environmental and Landfill	1,660,243	1,743,217
Movements on provisions:		
		Environmental and Landfill £
At 1 May 2015		1,743,217
Additional provisions in the year		177,250
Reversal of provision		(260,224)
At 30 April 2016		1,660,243

Provision has been made for closure and post closure costs in relation to the landfill site restoration and maintenance in accordance with the accounting policy set out in note 1. The company expects these costs to be incurred over the next 66 years.

9 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2016 £	Assets 2015 £
Balances:		
Accelerated capital allowances	(10,171)	(14,000)
Other timing differences	112,171	169,000
	102,000	155,000
Movements in the year ended:		2016 £
Liability/(Asset) at 1 May 2015		(155,000)
Charge to profit or loss		37,500
Effect of change in tax rate - profit or loss		15,500
Liability/(Asset) at 30 April 2016		(102,000)

The deferred tax asset set out above is in relation to the environmental landfill provision and is expected to reverse out over the life of the provision.

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

10 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
660 Ordinary shares of £1 each	660	660

11 Reserves

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

12 Financial commitments, guarantees and contingent liabilities

The company has provided unsecured guarantees to third parties in respect of restoration and performance bonds. On the 30 April 2016, guarantees outstanding amounted to £27,000 (2015: £27,000).

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	1,000	1,000
Between one and five years	4,000	4,000
In over five years	9,000	10,000
	<u>14,000</u>	<u>15,000</u>

RESOURCES MANAGEMENT U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED ENDED 30 APRIL 2016

14 Related party transactions

The company advanced an interest-free loan to Potter's Waste Management Limited, the parent company, of £94,305 (2015 - £42,752) in the year. The amount outstanding at the year end was £137,057 (2015 - £42,752).

During the period there were cost recharges of £48,398 made from Sundorne Products (Llanidloes) Limited, a 100% owned company by Potter's Waste Management Limited (2015 - £474,600). There were also sales of £nil made to Sundorne Products (Llanidloes) Limited (2015 - £13,184). At the period end there was a balance outstanding of £633,332 owed to Sundorne Products (Llanidloes) Limited (2015 - £318,569). During 2015 Resources Management U.K. Limited entered into a debenture against a loan in Sundorne Products (Llanidloes) Limited comprising fixed and floating charges over all assets.

G F Potter is a partnership controlled by Mr J Potter. During the year the company made purchases of £644 from G F Potter (2015 - £2,512). At the year end there was a balance owed to G F Potter of £71 (2015 - £1,756).

Gwynt Cymru Limited is a 100% subsidiary of Potters GCL Limited, of which Mr J Potter and Miss D Potter are directors and Mr J Potter is a controlling shareholder. During the year the company made recharges and loans to Gwynt Cymru Limited amounting to £528,185. The balance outstanding at the year end was £1,020,676 (2015 - £492,172).

During the year the amount of £65,027 was repaid by Mr J Potter in respect of the director's loan account.

15 Control

The company is a 100% subsidiary of Potter's Waste Management Limited, a company registered in England and Wales which is wholly owned by Mr J Potter. The registered office is Potter House, Henfaes Lane, Welshpool, Powys, Wales SY21 7BE. The smallest and largest group of which Resources Management U.K. Limited is a member is headed by Potter's Waste Management Limited. The group has taken advantage of the available size exemptions and has not prepared consolidated financial statements.

The ultimate controlling party is considered to be Mr J Potter, the shareholder of Potter's Waste Management Limited, as a result of controlling 100% of the issued share capital of Resources Management U.K. Limited.

16 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Thomas Morgan.

The auditor was RSM UK Audit LLP.