

Company Registration No. 02250123

BDR Property Limited

**Annual report and financial statements
for the year ended 31 December 2016**



BDR Property Limited

Annual report and financial statements 2016

Contents	Page
Officers and professional advisers	1
Directors' report	2
Independent auditor's report	5
Statement of comprehensive income and expense	7
Balance sheet	8
Statement of changes in equity	9
Cash flow statement	10
Notes to the financial statements	11

BDR Property Limited

Annual report and financial statements 2016

Officers and professional advisers

Directors

P Taylor
V F Orts-Llopis
C J Ellis
K E Billington
G E Gillies
P Castle

Company Secretary

C Nunn

Registered Office

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

Auditor

Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ
United Kingdom

BDR Property Limited

Directors' report

The Directors of BDR Property Limited (the "Company") present their annual report and the audited financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company during the year ended 31 December 2016 was the management of the Thurcroft landfill site.

Directors

The Directors who served during the year ended 31 December 2016 and up to the date of this report were as follows:

P Taylor
V F Orts-Llopis
C J Ellis
K E Billington
G E Gillies
P Castle

Results and dividends

The results for the Company for the year ended 31 December 2016 are set out on page 6. The profit for the financial year amounted to £67,000 (2015: £291,000 loss). The Company did not pay an interim dividend during the year (2015: £nil) and furthermore, the Directors do not recommend the payment of a final dividend (2015: £nil). The profit (2015: loss) for the financial year has been transferred to (2015: withdrawn from) reserves, resulting in a corresponding increase (2015: decrease) in total equity in the year. The improved result reflects lower aftercare costs in the year at the Thurcroft landfill site. The prior year result was also impacted by an impairment charge of £189,000 (2016: £nil).

In January 2016, the Company's unpaid share capital of £5.0million became payable as a precedent to the purchase of the freehold title of land and buildings at the former Thurcroft Colliery site ("the site"). The site was acquired on 21 January 2016 from BDR Waste Disposal Limited, a fellow subsidiary of FCC E UK for a consideration of £4.5million. The acquisition was bound by the terms of the property sale contract dated 27 February 2008.

FCC Environment (UK) Limited ("FCC E UK") manages its operations on a divisional basis and information regarding key performance indicators is included within the FCC E UK annual report. For this reason, the Company's Directors believe that the disclosure of further financial and non-financial key performance indicators for the Company is not appropriate for an understanding of the development, performance or position of the business.

Going concern

The Directors continue to adopt the going concern basis in preparing the Directors' report and financial statements. Full details of the going concern considerations can be found in note 2 of the notes to the financial statements.

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 the Company's ultimate parent undertaking, Fomento de Construcciones y Contratas, S.A. ("FCC").

Financial risk management

The Company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, credit risk and liquidity risk. Due to the nature of the Company's activities and the assets contained within the Company's balance sheet, the only financial risks the Directors consider relevant to the Company are liquidity and credit risk.

Liquidity and credit risk

The Company's exposure to credit and liquidity risk is reduced as it is a wholly owned subsidiary of FCC E UK and participates in a cash-pooling agreement with FCC E UK and FCC E UK's subsidiary undertakings (together the "Group"). Credit risk arises from the risk of having credit exposures to customers, including outstanding receivables.

The Company reviews the credit ratings of all significant customers regularly and continues to monitor the quality of debtor balances on an ongoing basis. Liquidity risk is the risk that the Company does not have sufficient cash

BDR Property Limited

Directors' report

resources to meet its commitments. The Company prepares and reviews cash flow forecasts frequently to ensure that it has sufficient resources to meet its cash flow commitments.

BDR Property Limited

Directors' report

Directors' responsibilities statement

The Directors are responsible for preparing the Annual 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to section 487 of the Act, the auditor will be deemed to be reappointed annually by the Company and Deloitte LLP will therefore continue in office until further notice.

Small companies exemption

This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. As a result of this exemption, the Company has elected not to prepare a separate Strategic Report.

Approved by the Board and signed on its behalf by:



C Nunn
Company Secretary
30 August 2017

BDR Property Limited

Independent auditor's report to the members of BDR Property Limited

We have audited the financial statements of BDR Property Limited for the year ended 31 December 2016 which comprise of the statement of comprehensive income and expense, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 16. 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), including Financial Reporting Standard 101 "Reduced Disclosure Framework".

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 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 auditor

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 and express an opinion on 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 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2016 and of its profit 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Independent auditor's report to the members of BDR Property Limited

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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic report or in preparing the Directors' report.



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

4th September 2017

BDR Property Limited

Statement of comprehensive income and expense Year ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Turnover	4	131	5
Cost of sales		(64)	(296)
Gross profit/(loss)		67	(291)
Administrative expenses		-	-
Operating profit/(loss)		67	(291)
Analysed as:			
Operating profit/(loss) before exceptional items		67	(102)
Exceptional items – impairment of tangible fixed assets (included in Cost of sales)	9	-	(189)
Operating profit/(loss)		67	(291)
Profit/(loss) on ordinary activities before taxation	5	67	(291)
Tax on profit/(loss) on ordinary activities	8	-	-
Profit/(loss) for the financial year		67	(291)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(expense) for the year		67	(291)

All results in the year ended 31 December 2016 relate to continuing operations.

The notes on pages 10 to 20 are an integral part of these financial statements.

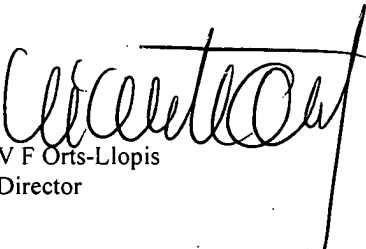
BDR Property Limited

Balance sheet at 31 December 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	9	4,507	-
Current assets			
Cash at bank and in hand		184	-
Debtors: amounts due within one year	10	6	5,000
		190	5,000
Creditors: amounts falling due within one year	11	(11)	(381)
Net current assets and total assets less current liabilities		179	4,619
Net assets		4,686	4,619
Capital and reserves			
Called-up share capital	12	1,850	1,850
Share premium account		3,210	3,210
Profit and loss account		(374)	(441)
Total equity		4,686	4,619

The notes on pages 10 to 20 are an integral part of these financial statements.

The financial statements of BDR Property Limited, registered number 02250123 were approved by the Board of Directors and authorised for issue on 30 August 2017. They were signed on its behalf by:


V F Orts-Llopis
Director

BDR Property Limited

Statement of changes in equity Year ended 31 December 2016

	Called-up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total £'000
Year ended 31 December 2016				
At 1 January 2016	1,850	3,210	(441)	4,619
Profit for the year	-	-	67	67
Other comprehensive income	-	-	-	-
	<u>1,850</u>	<u>3,210</u>	<u>(374)</u>	<u>4,686</u>
At 31 December 2016	1,850	3,210	(374)	4,686
Year ended 31 December 2015				
At 1 January 2015	1,850	3,210	(150)	4,910
Loss for the year	-	-	(291)	(291)
Other comprehensive income	-	-	-	-
	<u>1,850</u>	<u>3,210</u>	<u>(441)</u>	<u>4,619</u>
At 31 December 2015	1,850	3,210	(441)	4,619

BDR Property Limited

Cash flow statement Year ended 31 December 2016

	£'000	2016 £'000	£'000	2015 £'000
Cash flows from operating activities				
Profit/(loss) for the year	67		(291)	
Adjustments for:				
Depreciation, impairment and amortisation	-		189	
Operating cash flow before changes in working capital and provisions	67		(102)	
Increase in trade and other receivables	(6)		-	
Increase in trade and other payables	(370)		102	
Cash generated from operations	(309)		-	
Net cash flows from operating activities		(309)		-
Cash flows from investing activities				
Purchase of property, plant and equipment	(4,507)		-	
Net cash flows from investing activities		(4,507)		-
Cash flows from financing activities				
Proceeds from issue of shares	5,000		-	
Net cash flows from investing activities		5,000		-
Net increase in cash and cash equivalents		184		-
Cash and cash equivalents at 1 January		-		-
Cash and cash equivalents at 31 December		184		-

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

1. Corporate information

BDR Property Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) issued by the Financial Reporting Council.

The functional and presentational currency of BDR Property Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Exemptions for qualifying entities under FRS 101

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 *Share-based Payment*
- (b) The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 *Business Combinations*
- (c) The requirements of IFRS 7 *Financial Instruments: Disclosures*
- (d) The requirements of paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*
- (e) The requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - i. paragraph 79(a)(iv) of IAS 1;
 - ii. paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
 - iii. paragraph 118(e) of IAS 38 *Intangible Assets*;
- (f) The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 *Presentation of Financial Statements*
- (g) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- (h) The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 *Impairment of Assets*

Notes to the financial statements

For the year ended 31 December 2016

Amendments to IFRSs that are mandatorily effective for the current year

- Annual Improvements to IFRSs 2012 - 2014 Cycle

- IFRS 16 - Leases

Tangible fixed assets

Landfill sites - based on the void used in the period as a proportion of total void

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in comprehensive income as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating unit ("CGU") of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Turnover, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- debtors and creditors are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of debtors or creditors in the balance sheet. Tax on the profit or loss for the year comprises current and deferred tax.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Taxation (continued)

Current tax is the expected tax payable on the taxable surplus for the year using average tax rates in place during the financial year, and any adjustments in respect of previous periods. Income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is recognised for all temporary differences:

- except where the deferred income tax liability arises from the initial recognition of goodwill, non-tax deductible goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Turnover

Turnover, including landfill tax, is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Turnover is recognised in respect of waste disposal services when the waste has been received and disposed of. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Exceptional items

Exceptional items are defined as material items which derive from events or transactions that fall within the ordinary activities of the Company and which individually or, if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no areas of significant judgement or specific estimates or assumptions relevant to the Company.

4. Turnover

All turnover is generated in the UK from the Company's principal activity, which is the management of Thurcroft landfill site.

5. Profit/(Loss) on ordinary activities before taxation

Profit/(Loss) on ordinary activities before taxation is stated after charging:

	2016 £'000	2015 £'000
Impairment of tangible fixed assets	-	189
Operating lease rentals	-	8

Auditor's remuneration in respect of audit fees totalling £5,000 (2015: £5,000) has been met by FCC Recycling (UK) Limited, a fellow subsidiary undertaking of FCC E UK.

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditor for 'Other services' as this information is included in the consolidated financial statements of FCC E UK.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

6. Staff costs

The average monthly number of employees (including executive directors) employed by the Company during the year was:

	2016 Number	2015 Number
Operational	<u>1</u>	<u>1</u>

Their aggregate remuneration comprised:

	2016 £'000	2015 £'000
Wages and salaries	30	22
Social security costs	<u>3</u>	<u>2</u>
	<u>33</u>	<u>24</u>

7. Directors' remuneration and transactions

None of the Directors received any remuneration or other benefits through the Company during the year ended 31 December 2016 or the previous financial year.

They are all remunerated as directors or employees of FCC E UK for services to the Group as a whole and as such it is not possible to directly attribute any element of their remuneration to services as a director of this Company.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

8. Tax on profit/(loss) on ordinary activities

The tax position comprises:

	2016 £'000	2015 £'000
Current tax		
United Kingdom corporation tax at 20.00% (2015: 20.25%) based on loss for the year	-	-
Total current tax	-	-

Deferred tax

There is no provided or unprovided deferred tax in either the current or previous financial year.

Finance Act 2016, which was substantively enacted in September 2016, included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017 and 17% from 1 April 2020.

The total tax charge for both the current and previous year differs from the average standard rate of 20.00% (2015: 20.25%) for the reasons set out in the following reconciliation:

	2016 £'000	2015 £'000
Profit/(Loss) on ordinary activities before tax	<u>67</u>	<u>(291)</u>
Tax on profit/(loss) on ordinary activities at average standard rate	13	(59)
Effects of:		
Group relief surrendered	(41)	-
Expenses not deductible for tax	<u>28</u>	<u>59</u>
Total tax position	<u>-</u>	<u>-</u>

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

9. Tangible fixed assets

	Landfill sites £'000	Total £'000
Cost		
At 1 January 2016	189	189
Additions	4,507	4,507
	<hr/>	<hr/>
At 31 December 2016	4,696	4,696
	<hr/>	<hr/>
Depreciation		
At 1 January 2016	189	189
Charge for the year	-	-
	<hr/>	<hr/>
At 31 December 2016	189	189
	<hr/>	<hr/>
Net book value		
At 31 December 2016	4,507	4,507
	<hr/>	<hr/>
At 31 December 2015	-	-
	<hr/>	<hr/>

The CGUs of the Company comprise individual sites which constitute the smallest identifiable group of assets that generate inflows that are largely independent of the cash inflows from other assets or groups of assets. The carrying value of the individual sites is compared to the recoverable amount of the CGUs, which is based predominantly on value in use. The cash flow forecasts have been projected on a life of site basis applying growth rates based on assumptions which include market size and volumes, recycle prices, gate fees and the future level of landfill tax. For certain CGUs the recoverable amount is determined by reference to the fair value less costs to sell of the underlying assets using internal and external valuations of property, plant and equipment and management's estimate of disposal costs.

Management estimate discount rates that reflect current market assessments of the time value of money and the risk specific to the CGUs of 4.4% (2015: 5.7%). The growth rates are based on industry growth forecasts and longer term, on gross domestic product.

An impairment loss of £nil (2015: £189,000) has been recognised in the year on assets in the landfill sites category. This reflects the earlier than expected closure of the Group's landfill assets which is a result of a significant and sustained decline in the quantity and quality of active waste landfilled in the UK and the move towards recycling and recovery. This has been measured by reference to the value in use of the underlying assets.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

10. Debtors: amounts due within one year

	2016 £'000	2015 £'000
Trade debtors	3	-
Prepayments	3	-
<i>Unpaid share capital:</i>		
Amounts due from parent undertaking	-	4,000
Amounts due from other shareholders	-	1,000
	<u>6</u>	<u>5,000</u>

11. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	1	15
Accruals	2	-
Amounts owed to fellow subsidiary undertakings	8	366
	<u>11</u>	<u>381</u>

Amounts due to fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

12. Called-up share capital and reserves

	2016 Number of shares	2016 £'000	2015 Number of shares	2015 £'000
Issued, called-up and allotted*				
'A' Ordinary shares of 1p each	1,998	-	1,998	-
'B' Ordinary shares of 1p each	8,002	-	8,002	-
'C' Ordinary shares of £1 each	1,812,040	1,812	1,812,040	1,812
Deferred shares of £1 each	37,500	38	37,500	38
		<u>1,850</u>		<u>1,850</u>

* At 31 December 2015, 300 of the 'C' Ordinary shares were fully paid. The remaining issued, called up and allotted share capital was fully paid in January 2016. The amount of unpaid share capital at 31 December 2016 was £nil.

Voting rights

The 'A' and 'B' shares carry 100% of the voting rights, including the right to appoint the Directors. There are no voting rights attached to the 'C' or 'deferred' shares in any circumstances.

Rights to receive distributions

Neither the 'A', 'B', nor the 'deferred' shares confer any right to receive any dividend of any other distribution from the Company. The 'C' shares confer all rights to receive dividends and other distributions.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

12. Called-up share capital and reserves (continued)

Rights in the event of a winding up

In the event of a winding up of the Company, the 'A' and 'B' shareholders have priority over the other shareholders up to the nominal amounts paid up on their shares. The 'C' shareholders are then due £10,000,000 per share after which the 'deferred' shareholders are due an amount equal to the nominal value of their paid up shares. The balance of any remaining assets of the Company will belong to and be distributable to the holders of 'C' shares in proportion to the nominal value of the amounts paid up.

Share premium account

The share premium reserve comprises the excess proceeds above the nominal amount of share capital on issue of equity shares. Direct issue costs are netted off the share premium account.

Profit and loss account

Profit and loss account comprises cumulative profits or losses, including unrealised profits or losses recognised in the statement of comprehensive income and expense.

13. Financial commitments

At 31 December 2016 and 31 December 2015, the Company did not have any annual commitments under non-cancellable operating leases.

14. Contingent liabilities

- (a) The Company is a member of a group VAT registration and as such has contingent liabilities for VAT in respect of other members of the Group.
- (b) On 22 January 2014, the Company was a party to the refinancing of Azincourt Investment S.L. ("Azincourt") and its subsidiary companies. Azincourt was the company used by Fomento de Construcciones y Contratas, S.A. for the acquisition of the Group and its subsidiary undertakings including the Company. Under the re-financing, the Group has granted legal mortgages (or the relevant Scottish equivalent) over specified real property, fixed charges over certain assets, fixed charges or share pledges over investments in addition to assigning certain of its insurance policies and interests in hedging arrangements. The Group has granted floating charges over all present and future undertakings not already charged pursuant to any of the above. Additionally, the Group has granted fixed and floating charges over certain assets as security under an Asset Backed Lending Facility.

BDR Property Limited

Notes to the financial statements For the year ended 31 December 2016

15. Related party transactions

The Directors regard three local authorities, which in total hold 20% of the issued share capital of the Company, together with all subsidiary undertakings of FCC E UK, as related parties of the Company. Details of transactions and balances with those related parties are as follows:

	Unpaid share capital receivable		Payable	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Doncaster Borough Council	-	405	-	-
Rotherham Borough Council	-	190	-	-
Barnsley Metropolitan Borough Council	-	405	-	-
FCC Environment (UK) Limited	-	4,000	-	-
FCC Recycling (UK) Limited	-	-	8	366
	-	5,000	8	366

The Company operates under a management agency agreement with FCC Recycling (UK) Limited, a fellow subsidiary of FCC E UK. All trading related transaction processing is undertaken by FCC Recycling (UK) Limited and is then recharged to the Company through the intercompany account. The management fee charged by FCC Recycling (UK) Limited during the year under the agency agreement was £nil (2015: £1,000).

16. Controlling party

The immediate parent of the Company is FCC Environment (UK) Limited, a company registered in England and Wales.

The Directors regard Fomento de Construcciones y Contratas, S.A., a company registered in Spain, as the ultimate parent company and controlling party.

Fomento de Construcciones y Contratas, S.A. is the parent company of the largest group of which the Company is a member and for which group financial statements are drawn up. FCC Environment (UK) Limited is the parent company of the smallest group of which the Company is a member and for which group financial statements are drawn up. Copies of the financial statements of both FCC Environment (UK) Limited and Fomento de Construcciones y Contratas, S.A. are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.