

Registered No. 2660628

**Cynon Valley Waste Disposal Company Limited
Trading as Amgen Cymru**

**Report of the Directors and
Audited Financial Statements
for the Year ended 31 March 2017**

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CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

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for the Year ended 31 March 2017

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CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Company Information
for the Year ended 31 March 2017

DIRECTORS:

A D Maddox MBE
N Wheeler
B J Davies

SECRETARY:

B J Davies

REGISTERED OFFICE:

Bryn Pica
Llwydcoed
Aberdare
Rhondda Cynon Taf
CF44 0BX

REGISTERED NUMBER:

02660628 (England and Wales)

AUDITORS:

BALDWINS AUDIT SERVICES LIMITED
Churchill House
59 Lichfield Street
Walsall
WS4 2BX

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Report of the Directors
for the Year ended 31 March 2017

The directors present their report with the financial statements of the company for the Year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activities of the company in the year under review continue to be the provision of recycling services and waste disposal facilities.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend (2016 - £nil). The profit for the financial year of £27,943 (2016 - £13,035 loss) will be transferred to reserves.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report:

A D Maddox MBE
N Wheeler
B J Davies

A D Maddox MBE has given notice to 31 December 2017 and will not seek reappointment to the board of directors at the forthcoming annual general meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 (Financial Reporting Standard 102 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 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.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Report of the Directors
for the Year ended 31 March 2017

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) 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.

AUDITORS

KTS Owens Thomas resigned as auditors on 13th April 2017 as a result of being acquired by Baldwins Holdings Limited. Baldwins Audit Services Limited were appointed on 14 April 2017 and will be proposed for reappointment at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD:



B J Davies - Secretary

Date: 25-10-17

**CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU**

**Strategic Report
for the Year ended 31 March 2017**

BUSINESS REVIEW

The company recognised a profit on ordinary activities of £27,943 (2016 - £13,035 loss) during the year. The company has no external lending and meets its day-to-day working capital requirements through cash generated from operations only.

In line with the requirement of Financial Reporting Standard (FRS) 102, changes in the fixed asset revaluation surplus and adjustments in respect of actuarial gains/losses in regards the pension fund have impacted on the financial statements. These adjustments, along with the profit on ordinary activities, resulted in an increase in retained earnings of £174k.

During the year, the company's primary customer (RCT CBC) continued to develop and revise its waste collection and disposal arrangements in order to improve recycling rates. The consequential reductions in landfill and increase in recycling centre input tonnages continued during 2016/17. Commodity rates and income continue to be volatile notwithstanding the new contractual arrangements which have been put in place which provided a benefit in 2016/17.

The company continues to experience relatively low landfill volumes. The cell designated Phase 4b is the current operational cell and as of 31 March 2017 provides sufficient void space for a further 18 – 24 months (subject to landfill volumes). The directors monitor the void on a continual basis, in order to future proof the business activity.

FUTURE DEVELOPMENTS

The directors continue to monitor and respond to regulatory changes and are clearly aware of future landfill diversion policies emanating from Government. The potential impact upon landfill and recycling levels resulting from the waste strategy of RCT CBC will continue to be a challenge for the company in the new financial year, most notably the residual waste contractual arrangements which have been put in place which will eliminate landfill from RCT CBC. Whilst the future business operation will doubtlessly change (a further rebalancing of recycling and landfill activities), the directors are confident that the future business model will support a viable operation. Future developments include:

- The management and operation of new Community Recycling Centres;
- Improving and developing existing Community Recycling Centres;
- Further increases in kerbside recycling;
- Supporting the residual waste disposal arrangements of RCT CBC;
- Further developing the efficiencies of the managed service contract for the Recycling Centre;
- Ongoing review of plant and vehicle requirements;
- Continuing to explore and develop commercial operations;
- Research and development of innovative and sustainable waste management solutions.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks. These risks are monitored by the Board of Directors.

Price Risk

The company is exposed to commodity price risk, predominantly arising from volatility in the market price available for the sale and disposal of recycled commodities. The company attempts to mitigate this risk by putting in place appropriate contractual and partnering arrangements.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Strategic Report
for the Year ended 31 March 2017

Credit Risk

The company is exposed to the risk of customer default on credit. The Board continuously and rigorously review this on a monthly basis with appropriate actions being taken to minimise the exposure.

Liquidity Risk

The company proactively monitors and manages its liquidity at Board level with debt/credit being regularly reviewed.

Interest Rate Cash Flow Risk

Interest bearing assets comprise cash balances which are not invested in long term instruments but retained as funds available for investment. Accordingly, the company has limited interest rate exposure.

ON BEHALF OF THE BOARD:



B J Davies - Secretary

Date: 25-10-17

**Report of the Independent Auditors to the Members of
Cynon Valley Waste Disposal Company Limited Trading as Amgen Cymru**

We have audited the financial statements of Cynon Valley Waste Disposal Company Limited, (trading as Amgen Cymru) for the year ended 31 March 2017 on pages eight to twenty-nine. 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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 March 2017 and of its profit for the period 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Cynon Valley Waste Disposal Company Limited Trading as Amgen Cymru**

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

Baldwins Audit Services Limited

Carol Warburton (Senior Statutory Auditor)
for and on behalf of BALDWINS AUDIT SERVICES LIMITED
Statutory Auditors
Churchill House
59 Lichfield Street
Walsall
WS4 2BX

Date: 25 October 2017

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Income Statement
for the Year ended 31 March 2017

		Year ended: 31/3/17	Year ended: 31/3/16
	Notes	£	£
TURNOVER		9,330,929	9,152,493
Cost of Sales		<u>(8,557,669)</u>	<u>(8,389,246)</u>
GROSS PROFIT		773,260	763,247
Administrative expenses		<u>(691,320)</u>	<u>(781,398)</u>
OPERATING PROFIT/(LOSS)	3	81,940	(18,151)
Interest payable		<u>(42,072)</u>	-
Interest receivable		<u>5,054</u>	<u>4,596</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		44,922	(13,555)
Tax on profit/(loss) on ordinary activities	5	<u>(16,979)</u>	<u>520</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>27,943</u>	<u>(13,035)</u>

The notes form part of these financial statements

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Other Comprehensive Income
for the Year ended 31 March 2017

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
PROFIT/(LOSS) FOR THE YEAR	27,943	(13,035)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Changes in fixed asset revaluation surplus	117,848	2,356
Actuarial (losses) /gains on pension scheme liabilities	(429,000)	95,000
Prior year deferred tax adjustment	69,800	-
Current year deferred tax adjustment	8,501	-
Remeasurement gains/ (losses) on pension scheme assets	<u>379,000</u>	<u>(6,000)</u>
OTHER COMPREHENSIVE INCOME		
FOR THE YEAR, NET OF INCOME		
TAX	<u>146,149</u>	<u>91,356</u>
TOTAL COMPREHENSIVE INCOME		
FOR THE PERIOD	<u>174,092</u>	<u>78,321</u>

The notes form part of these financial statements

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED (REGISTERED NUMBER: 02660628)
TRADING AS AMGEN CYMRU

Balance Sheet
31 March 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	6	4,054,294	4,354,928
Investments	7	<u>100</u>	<u>100</u>
		4,054,394	4,355,028
CURRENT ASSETS			
Debtors	8	1,540,321	1,833,678
Cash at bank	9	<u>3,199,403</u>	<u>2,430,193</u>
		4,739,724	4,263,871
CREDITORS			
Amounts falling due within one year	10	<u>(1,494,918)</u>	<u>(2,033,934)</u>
NET CURRENT ASSETS		3,244,806	2,229,937
TOTAL ASSETS LESS CURRENT LIABILITIES		7,299,200	6,584,965
NON-CURRENT LIABILITIES			
Pension liability	15	(558,000)	(431,000)
Finance lease obligation	11	(414,261)	-
PROVISIONS FOR LIABILITIES	13	<u>(1,161,599)</u>	<u>(1,044,869)</u>
NET ASSETS		5,165,340	5,109,096
CAPITAL AND RESERVES			
Called up share capital	16	2,806,000	2,806,000
Revaluation reserve	17	1,164,530	1,282,378
Retained earnings	17	<u>1,194,810</u>	<u>1,020,718</u>
SHAREHOLDERS' FUNDS		5,165,340	5,109,096

The financial statements were approved by the Board of Directors on 25-10-17 and were signed on its behalf by:



A D Maddox MBE - Director

The notes form part of these financial statements

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED (REGISTERED NUMBER: 02660628)
TRADING AS AMGEN CYMRU

Statement of Changes in Equity
For the Year ended 31 March 2017

	Called up Share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 31 March 2015	2,806,000	942,397	1,284,734	5,033,131
Changes in equity				
Changes in revaluation reserve	-	-	(2,356)	(2,356)
Total comprehensive income	-	<u>78,321</u>	-	<u>78,321</u>
Balance at 31 March 2016	<u>2,806,000</u>	<u>1,020,718</u>	<u>1,282,378</u>	<u>5,109,096</u>
Changes in equity				
Changes in revaluation reserve	-	-	(117,848)	(117,848)
Total comprehensive income	-	<u>174,092</u>	-	<u>174,092</u>
Balance at 31 March 2017	<u>2,806,000</u>	<u>1,194,810</u>	<u>1,164,530</u>	<u>5,165,340</u>

The notes form part of these financial statements

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements
for the Year ended 31 March 2017

I. ACCOUNTING POLICIES

Statement of compliance

The individual financial statements of Cynon Valley Waste Disposal Company Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through the Income Statement.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the critical accounting judgement and estimating uncertainty.

Preparation of consolidated financial statements

The company's immediate parent holds 100% of the allotted shares in the entity, and notice requesting the preparation of consolidated financial statements has not been served on the entity by its shareholders. The company is included in the consolidated financial statements of 31st March 2017 which are publicly available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements represent those of the company alone.

Financial reporting standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Foreign currency

The company's functional presentational currency is the pound sterling.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates and other similar allowances. This principle applies to:

- Landfill – when waste crosses the weighbridge and is tipped
- Community Recycling Centre (CRC) management – evenly over the period to which it relates
- Community Recycling Centre (CRC) transport – when the waste is removed from the CRC
- Recycling centre – when waste crosses the weighbridge and is taken to the recycling centre
- Landfill gas – recognised 3 months after landfill gas is generated (due to contract terms)

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

I. ACCOUNTING POLICIES - continued

Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements and defined benefit pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised in the period in which the service is received.

(ii) Defined benefit pension plans

The company operates a defined benefit plan for its employees. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. Obligations are measured at discounted present value whilst plan assets are recorded at fair value. The liability recognised in the balance sheet in respect of defined benefit pension plans is the net of the plan obligations and assets. No allowance is made in the past service liability in respect of either the future expenses of running the scheme or for non-service related death in service benefits which may arise in the future. The operating costs of the plans are charged to operating profit as part of the management charge payable to Rhondda Cynon Taf County Borough Council and the finance costs are recognised as financial income or expense as appropriate. Service costs are spread systematically over the lives of employees and financing costs are recognised in the periods in which they arise. Actuarial gains and losses are recognised immediately directly to equity.

Taxation

The taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years, tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred Tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the time difference.

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

I. ACCOUNTING POLICIES - continued

(i) Depreciation and residual values

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold Property	- Straight line over 30 years
Leasehold land and buildings	- Over the term of the lease
Site infrastructure	- Straight line over 10 years
Recycling centre	- Straight line over 10 years
Landfill phases	- Airspace used for landfill
Plant and machinery	- Straight line over 5 - 10 years
Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 3 years
Motor vehicles	- Straight line over 4 years

Assets held under finance leases are depreciated in the same way as owned assets.

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(ii) Subsequent additions

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated will flow. Subsequent additions to the company are depreciated separately over the useful life of the asset in question.

Repairs and maintenance costs are expensed as incurred.

(iii) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Income Statement.

Landfill phases are eliminated from fixed assets during the year in which they are decommissioned.

Investment

Investment in subsidiaries are accounted for at cost less impairment.

Leased assets

At inception, the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined, the company's incremental borrowing rate is used. Incremental direct costs incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

1. ACCOUNTING POLICIES - continued

The capital element of the lease obligation is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge using the effective interest rate method to produce a constant rate of charge on the balance of the capital repayments outstanding.

(ii) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Income Statement on a straight-line basis over the period of the lease.

(iii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of the present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the Income Statement to reduce the lease expenses on a straight-line basis over the period of the lease.

The company has taken advantage of the exemption in respect of lease incentives on leases in existence as at the date of transition to FRS 102 (1 April 2014) and continues to credit such lease incentives to the income statement over the period of the lease.

Impairment of non-financial assets

At each balance sheet date non-financial assets, not carried at fair value, are assessed to determine whether there is an indication that the asset (or the asset's cash generating unit) may be impaired. If there is such an indication, the recoverable amount of the asset's (or the asset's cash generating unit) is compared to the carrying amount (or the asset's cash generating unit).

The recoverable amount for the asset (or the asset's cash generating unit) is the higher of the fair value of the future cash flows before interest and tax obtainable as a result of the asset's (or the asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or the asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or the asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an unimpaired loss is recognised in the Income Statement.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Provisions and contingencies

(i) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect of any one item included in the same class of obligations may be small.

Provisions are not made for future operating losses.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

I. ACCOUNTING POLICIES - continued

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passing of time is recognised as a finance cost.

(ii) Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amounts cannot be reliably measured at the report date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resource is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of future economic benefits is probable.

Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial Assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Income Statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow group companies 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

I. ACCOUNTING POLICIES - continued

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished. This is when the contractual obligation is discharged, cancelled or expires.

The company does not hold any non basic financial instruments.

(iii) Offsetting

Financial assets and liabilities are offset and 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.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends to equity shareholders

Dividends and other distributions to the company's shareholder are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statements of changes in equity.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experiences and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

The key sources of estimation uncertainty that have significant affect on the amounts recognised in the financial statements are described below:

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the property, plant and equipment, and above for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 8 for the net carrying amount of the debtors and associated impairment provision.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

1. ACCOUNTING POLICIES – continued

(iii) Value of aftercare provision

The company makes an estimate of future costs associated with the closure of the landfill site and the aftercare costs in relation to monitoring the closed site, gas management, maintenance and security costs of the closed site and leachate disposal costs post closure in order to arrive at a valuation for the aftercare provision. See note 13 for the net carrying amount of the aftercare provision.

2. STAFF COSTS

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Wages and salaries	1,186,285	1,189,318
Social security costs	106,027	74,007
Other pension costs (see note 15)	194,384	192,343
	<u>1,486,696</u>	<u>1,455,668</u>

The average monthly number of employees during the period was as follows:

	Year ended: 31/3/17	Year ended: 31/3/16
Administration	-	1
Management & Administration	9	9
Landfill Operations	10	11
Recycling Operations	26	27
Transport Operations	8	5
Visitors Centre	-	1
	<u>53</u>	<u>54</u>

The average number of persons employed by the company (including directors) during the year was 53 (2016: 54).

Key management includes the directors and members of senior management the compensation paid or payable to key management for employee services is £43,503 (2016: £43,334). The pension contributions of the directors are met by the parent undertaking, Rhondda Cynon Taf County Borough Council. A percentage of each director's remuneration package is recharged to the company by the parent based on the percentage of time spent on Cynon Valley Waste Disposal Company Limited duties.

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Depreciation of tangible fixed assets – owned assets	782,251	764,190
Depreciation of tangible fixed assets – leased assets	142,789	49,927
Auditors remuneration	11,161	12,931
Hire of plant and machinery	254,109	294,534
Government grants	-	(58,954)

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

4. AUDITORS' REMUNERATION

The remuneration of the auditors is further analysed as follows:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Audit of the financial statements	9,700	9,500
Taxation compliance services	1,150	1,350
Other non audit services	311	2,081
	<u>11,161</u>	<u>12,931</u>

5. TAXATION

Analysis of the tax charge

(a) The tax charge/(credit) on the profit/(loss) on ordinary activities for the year was as follows:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Current tax:		
UK corporation tax charge for current year	111,301	-
Prior year corporation tax adjustment	15,482	(20,627)
Prior year deferred tax adjustment	(60,132)	-
Deferred Tax (see note 13)	(49,672)	20,107
Tax on loss on ordinary activities	<u>16,979</u>	<u>(520)</u>

(b) Reconciliation of total tax charge included in Income Statement

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Profit/(loss) on ordinary activities before tax	<u>44,922</u>	<u>(13,555)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2016 – 20%)	8,984	(2,711)
Effects of:		
Impact of rate changes	11,889	-
Non-deductible expenses	40,756	22,818
Prior year adjustments	(44,650)	(20,627)
Total tax charge	<u>16,979</u>	<u>(520)</u>

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

5. TAXATION - continued

(c) Tax expenses included in other comprehensive income
 "Other Comprehensive Income" note, includes a prior year deferred tax adjustment of £69,800 and a current year tax adjustment of £8,501.

(d) The tax rate charged for the current and prior period was 20%.

6. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Landfill Phases £	Totals £
COST					
At 1 April 2016	3,142,720	4,224,050	177,632	1,083,046	8,627,448
Additions	-	608,598	15,808	-	624,406
At 31 March 2017	3,142,720	4,832,648	193,440	1,083,046	9,251,854
DEPRECIATION					
At 1 April 2016	407,560	3,050,148	168,955	645,857	4,272,520
Charge for year	203,780	472,27	6,617	242,372	925,040
At 31 March 2017	611,340	3,522,419	175,572	888,229	5,197,560
NET BOOK VALUE					
At 31 March 2017	2,531,380	1,310,229	17,868	194,817	4,054,294
At 31 March 2016	2,735,160	1,173,902	8,677	437,189	4,354,928

Included within Land and Buildings is:

	Freehold Land £	Short Leasehold Land £
COST		
At 1 April 2016 and 31 March 2017	589,400	948,614
DEPRECIATION		
At 1 April 2016	-	99,854
Charge for year	-	49,927
At 31 March 2017	-	149,781
NET BOOK VALUE		
At 31 March 2017	589,400	798,833
At 31 March 2016	589,400	848,760

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

6. TANGIBLE FIXED ASSETS - continued

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Plant & Machinery	<u>505,666</u>	<u>-</u>

Depreciation has been charged during the year amounting to £142,789 on assets acquired on hire purchase.

The valuation applied to the land and building asset category only and was carried out by Mr. Christopher Lockwood BSc. MRICS MIQ and Paul Marsh BSc. MRICS of GVA Grimley Ltd. The total revalued amount for the category is £3,142,720.

7. FIXED ASSET INVESTMENTS

	Investment in Subsidiary Company £
Cost or valuation	
At 1 April 2016	<u>100</u>
At 31 March 2017	<u>100</u>
At 31 March 2016	<u>100</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Amgen Rhondda Limited
 Stewardship services of closed landfill site

	% holding	2017 £	2016 £
Class of shares:			
Ordinary Shares	100.00		
Aggregate capital and reserves		164,780	153,864
Profit for the year		<u>10,916</u>	<u>20,605</u>

During the year ended 31 March 2017, Amgen Rhondda Limited continued to carry out comprehensive stewardship services of the site at Nant-y-Gwyddon in accordance with its waste management licence.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	685,489	720,480
Amounts owed by group undertakings	728,684	1,033,456
Other debtors	75,868	-
Prepayments and accrued income	50,280	79,742
	<u>1,540,321</u>	<u>1,833,678</u>

Trade debtors are stated after provisions for impairment of £83,595 (2016: £nil).

Amounts owed by group undertakings are wholly invoices for services rendered by the company which are repayable in line with the company's credit terms.

9. CASH AT BANK AND IN HAND

	2017 £	2016 £
Current account and short term deposit account	3,199,125	2,429,913
Cash in hand	278	280
	<u>3,199,403</u>	<u>2,430,193</u>

The current account and short term deposit account are to be used for meeting the company's trading liabilities and to finance investment in site developments and improvements at Bryn Pica in accordance with the conditions of the Pollution Prevention and Control permit. The short term deposit account is administered by the parent company's treasury management section in line with their treasury management policy.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	439,668	536,051
Amounts due to group undertakings	405,101	201,151
Taxation and social security	513,931	1,037,726
Aftercare capping provision (note 13)	60,000	100,000
Accruals and deferred income	76,218	159,007
	<u>1,494,918</u>	<u>2,033,935</u>

Amounts due to group undertakings are wholly invoices for goods and services rendered by the group companies which the company has to repay in line with their credit terms.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

11. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Net obligations repayable:		
Within one year	111,329	-
Between one and five years	414,261	-
	<u>525,590</u>	<u>-</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	Year ended: 31/3/17 £	Year ended: 31/3/16 £
Hire purchase contracts and finance leases	<u>525,590</u>	<u>-</u>
	<u>525,590</u>	<u>-</u>

Obligation under finance lease and hire purchase contracts are secured on the asset to which they relate.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

13. PROVISION FOR LIABILITIES

	Deferred tax £	Aftercare capping provision £	Total £
At 1 April 2015	92,130	1,046,182	1,138,312
Charged to the profit and loss account	20,107	113,349	133,456
Utilised during the year	-	(126,899)	(126,899)
Provided during year	-	-	-
At 1 April 2016	112,237	1,032,632	1,144,869
Charged to retained earnings	(109,804)	253,863	144,059
Utilised during the year	(78,301)	-	(78,301)
Provided during year	-	(64,896)	(64,896)
At 31 March 2017	(75,868)	1,221,599	1,145,731
<u>Included within:</u>		2017 £	2016 £
Other debtors		(75,868)	-
Creditors due less than one year		60,000	100,000
Provisions for liabilities		1,161,599	1,044,869
		<u>1,145,731</u>	<u>1,144,869</u>
Deferred tax is provided as follows:	2017 £	2016 £	
Accelerated capital allowances	21,685	112,237	
Short-term timing differences	(97,553)	-	
	<u>(75,868)</u>	<u>112,237</u>	

Aftercare capping provision

The company is required by the shareholders agreement to provide for future aftercare costs such as landfill capping and restoration.

The aftercare provision is also impacted by tonnage tipped and management are continuously reviewing the scenarios associated with a changing business landscape with consideration to actual capping and restoration costs, future anticipated landfill phases and current assessments of tonnage and cost per tonne.

In the directors' opinion, the aftercare capping provision could fall within the range of £1,000,000 to £1,675,000 but this could change over time and is largely dependent upon future landfill volumes and timescales. The aftercare provision at the balance sheet date falls within this range which is considered at this time, to be the best estimate of the company's exposure to future aftercare costs.

14. CAPITAL COMMITMENTS

	2017 £	2016 £
Contracted for but not provided for in the Financial Statements	<u>60,000</u>	<u>-</u>

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

15. EMPLOYEE BENEFIT OBLIGATIONS

The company contributes into the Rhondda Cynon Taf County Borough Council Pension Fund which is part of the Local Government Pension Scheme ("LGPS"). The LGPS is a funded defined benefit career average scheme for service accrued post 2014, having previously been based on final salary. The change was part of the Government's attempts to assure the long term affordability of the scheme.

The level of contributions by the company is determined by a qualified actuary (AON Hewitt) on the basis of triennial valuations (in compliance with the Local Government Pension Scheme (Administration) Regulations 2008). The most recent valuation was as at 31 March, 2013, with the 2017 valuation currently being undertaken, the outcome of which, including any requirement to increase employer contribution rates, will be effective from the 2017/18 financial year. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method.

The employer's regular contributions to the fund for the annual accounting period to 31 March, 2017 are estimated to be £194,000 (2016: £260,000). Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

The Board of Directors continue to monitor the risks associated with the pension scheme.

The amounts recognised in the statement of financial position are as follows:-

	Defined benefit pension plans	
	2017	2016
	£	£
Present value of funded obligations	(3,359,000)	(2,453,000)
Fair value of plan assets	<u>2,801,000</u>	<u>2,022,000</u>
	(558,000)	(431,000)
Present value of unfunded obligations	-	-
Deficit	<u>(558,000)</u>	<u>(431,000)</u>
Net liability	<u>(558,000)</u>	<u>(431,000)</u>

The amount recognised in surplus or deficit is as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Current service cost	259,000	263,000
Net interest from net defined benefit asset/liability	12,000	10,000
Past service cost	-	69,000
	<u>271,000</u>	<u>342,000</u>
Actual return on plan assets	-	-

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Opening defined benefit obligation	2,453,000	2,121,000
Current service cost	259,000	263,000
Contributions by scheme participants	71,000	70,000
Interest cost	86,000	68,000
Benefits paid	61,000	(43,000)
Remeasurements:		
Actuarial losses/(gains) – on liabilities	429,000	(95,000)
Past Service cost	-	69,000
	<u>3,359,000</u>	<u>2,453,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Opening fair value of scheme assets	2,022,000	1,683,000
Contributions by employer	194,000	260,000
Contributions by scheme participants	71,000	70,000
Interest income	74,000	58,000
Remeasurement gain /(loss) on assets	379,000	(6,000)
Benefits paid	61,000	(43,000)
	<u>2,801,000</u>	<u>2,022,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Actuarial (gains) /losses on liabilities	(429,000)	95,000
Remeasurement gains/ (losses) on asset	379,000	(6,000)
	<u>(50,000)</u>	<u>89,000</u>

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
TRADING AS AMGEN CYMRU

Notes to the Financial Statements - continued
for the Year ended 31 March 2017

15. EMPLOYEE BENEFIT OBLIGATIONS (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2017	2016
Equities	72.6%	70.1%
Government bonds	9.4%	9.2%
Corporate bonds	10.0%	10.6%
Property	5.9%	6.4%
Cash/other	2.1%	3.7%
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2017	2016
Discount rate	2.6%	3.4%
Rate of increase to pensions in payment	2.0%	1.8%
Rate of general increase in salaries	3.25%	3.3%
Pension accounts revaluations rate	2.0%	1.8%

The mortality assumptions are based on the recent actual mortality experience by members within the Fund and allow for expected future mortality improvements.

Assumed life expectancy at age 65		
Future lifetime from age 65 (aged 65 at accounting date):	2017	2016
- Male	22.8	23.1
- Female	24.9	26.0
Future lifetime from age 65 (aged 45 at accounting date):		
- Male	25.0	25.2
- Female	27.2	28.4

Sensitivity Analysis

The sensitivities below consider the impact of the single change shown, with the other assumptions remaining unchanged.

Discounted rate assumption		
Adjustment to discount rate	+0.1%	-0.1%
Present value of total obligation (£M's)	3.287	3.433
% change in present value of obligation	(2.2%)	2.2%
Projected service cost (£M's)	0.347	0.373
Approximate % change in projected service cost	(3.6%)	3.7%

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
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Notes to the Financial Statements - continued
for the Year ended 31 March 2017

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1%	-0.1%
Present value of total obligation (£M's)	3.379	3.339
% change in present value of obligation	0.6%	(0.6%)
Projected service cost (£M's)	0.360	0.360
Approximate % change in projected service cost	0.0%	0.0%

Rate of increase to pensions in payment and deferred pensions assumptions, and rate of revaluation of pension accounts assumption

Adjustment to pension increase rate	+0.1%	-0.1%
Present value of total obligation (£M's)	3.413	3.306
% change in present value of obligation	1.6%	(1.6%)
Projected service cost (£M's)	0.373	0.347
Approximate % change in projected service cost	3.7%	(3.6%)

Post retirement mortality assumption

Adjustment to mortality age rating assumption	-1 year	+1 year
Present value of total obligation (£M's)	3.459	3.260
% change in present value of obligation	3.0%	(3.0%)
Projected service cost (£M's)	0.373	0.347
Approximate % change in projected service cost	3.6%	(3.6%)

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal Value	2017 £	2016 £
2,806,000	Ordinary	£1	<u>2,806,000</u>	<u>2,806,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

17. RESERVES

	Retained earnings £	Revaluation reserve £	Total £
At 1 April 2016	1,020,718	1,282,378	2,303,096
Transfer from revaluation reserve	117,848	(117,848)	-
Deferred tax adjustment	78,301	-	78,301
Actuarial losses on pension liabilities	(429,000)	-	(429,000)
Remeasurement gains on pension assets	379,000	-	379,000
Profit for the financial year	27,943	-	27,943
At 31 March 2017	<u>1,194,810</u>	<u>1,164,530</u>	<u>2,359,340</u>

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
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Notes to the Financial Statements - continued
for the Year ended 31 March 2017

18. CONTROLLING PARTIES

The company's ultimate parent undertaking and controlling party is Rhondda Cynon Taf County Borough Council, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of Rhondda Cynon Taf County Borough Council's consolidated financial statements can be obtained from their website (www.rctcbc.gov.uk) or upon request by writing to Final Accounts Team, Bronwydd House, Porth, Rhondda, CF39 9DL.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption permitted by FRS 102 'Related Party Disclosures' and does not disclose transactions with other wholly owned entities within the group that are eliminated on consolidation.

Alun Maddox MBE, a director of the company, also serves as a director to Amgen Environmental Body Limited, which is an organisation that oversees the payment of monies in relation to the Landfill Communities Fund. During the year, the company paid £103,244 (2016 - £252,660) to Amgen Environmental Body Limited.

Nigel Wheeler and Barrie Davies, the other two directors of the company are employed by the company's parent undertaking, Rhondda Cynon Taf County Borough Council. The company is charged for their roles as Company Directors as part of a management recharge.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2017 £	2016 £
Profit/(loss) for the financial period	27,943	(13,035)
Prior year deferred tax adjustment	69,800	-
Current year deferred tax adjustment	8,501	-
Actuarial (losses) /gains on liabilities	(429,000)	95,000
Remeasurement gains /(losses) on asset	379,000	(6,000)
Net addition to shareholders' funds	56,244	75,965
Opening shareholders' funds	<u>5,109,096</u>	<u>5,033,131</u>
Closing shareholders' funds	<u>5,165,340</u>	<u>5,109,096</u>

21. GENERAL INFORMATION

Cynon Valley Waste Disposal Company Limited's principal activity is provision of recycling services and waste disposal facilities. The company is a private company limited by shares and is incorporated and domiciled in Wales. Its registered office is Bryn Pica, Llwydcoed, Aberdare, Rhondda Cynon Taf, CF44 0BX.