

**ENRICHMENT HOLDINGS LIMITED  
(FORMERLY PRECIS (2733) LIMITED)**

Registered No. 6387705

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

31 March 2009

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COMPANIES HOUSE

# **Enrichment Holdings Limited**

## **DIRECTORS**

S Lovegrove  
R Nourse

## **SECRETARY**

S Wheeler

## **AUDITORS**

Ernst & Young LLP  
100 Barbirolli Square  
Manchester  
M2 3EY

## **REGISTERED OFFICE**

1 Victoria Street  
London  
SW1H 0ET

# **Enrichment Holdings Limited**

## **DIRECTORS' REPORT**

The Directors present their directors' report and financial statements for the period 2 October 2007 to 31 March 2009. The Company was incorporated on 2 October 2007 and changed its name from Precis (2733) Limited to Enrichment Holdings Limited on 14 March 2008.

### **GROUP RESULTS AND DIVIDENDS**

The profit for the period, after taxation, amounted to £70,813,000. The Directors have declared a dividend of £31,275,000 since the year end.

### **PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS**

The Company's principal activity in the period was that of a holding company for its investment in an associated undertaking. The Company's subsidiary, BNFL Enrichment Limited owns 33.3% of URENCO Limited. URENCO's main activity is the supply of enriched uranium produced in enrichment plants using the centrifuge process.

On 1 April 2008 BNFL Enrichment Limited was transferred, by means of a transfer scheme under the Energy Act 2004, from British Nuclear Fuels Limited to Enrichment Holdings Limited.

The Company intends to continue to hold its investment in its subsidiary and associated undertaking for the foreseeable future.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Directors believe that the principal risk to the Group is the performance of its subsidiary and associated undertaking. The Company regularly monitors the performance of its subsidiary and associated undertaking.

### **DIRECTORS**

The Directors who served during the period were as follows:

Peregrine Secretarial Services Limited	appointed 2 October 2007 and resigned 14 March 2008
S Lovegrove	appointed 14 March 2008
R Nourse	appointed 14 March 2008

There are no Directors' interests requiring disclosure under the Companies Act 1985.

### **DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

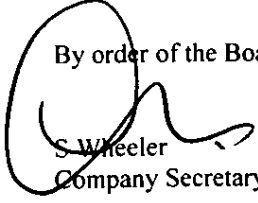
The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

### **ANNUAL GENERAL MEETING AND AUDITORS**

In accordance with the requirements of the Companies Act 2006 the Company is not required to hold an Annual General Meeting or to re-appoint the Auditors on an annual basis.

By order of the Board

  
S. Wheeler  
Company Secretary

## **Enrichment Holdings Limited**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to give a true and fair view of the state of affairs of the Group and parent company and of the profit or loss for that period.

In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and parent company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of *fraud and other irregularities*.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENRICHMENT HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Enrichment Holdings Limited for the year ended 31 March 2009 which comprise Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

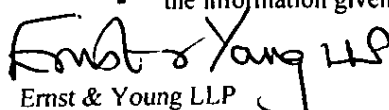
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 March 2009 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

  
Ernst & Young LLP  
Registered auditor  
Manchester

28 August 2009

## Enrichment Holdings Limited

### CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the period 2 October 2007 to 31 March 2009

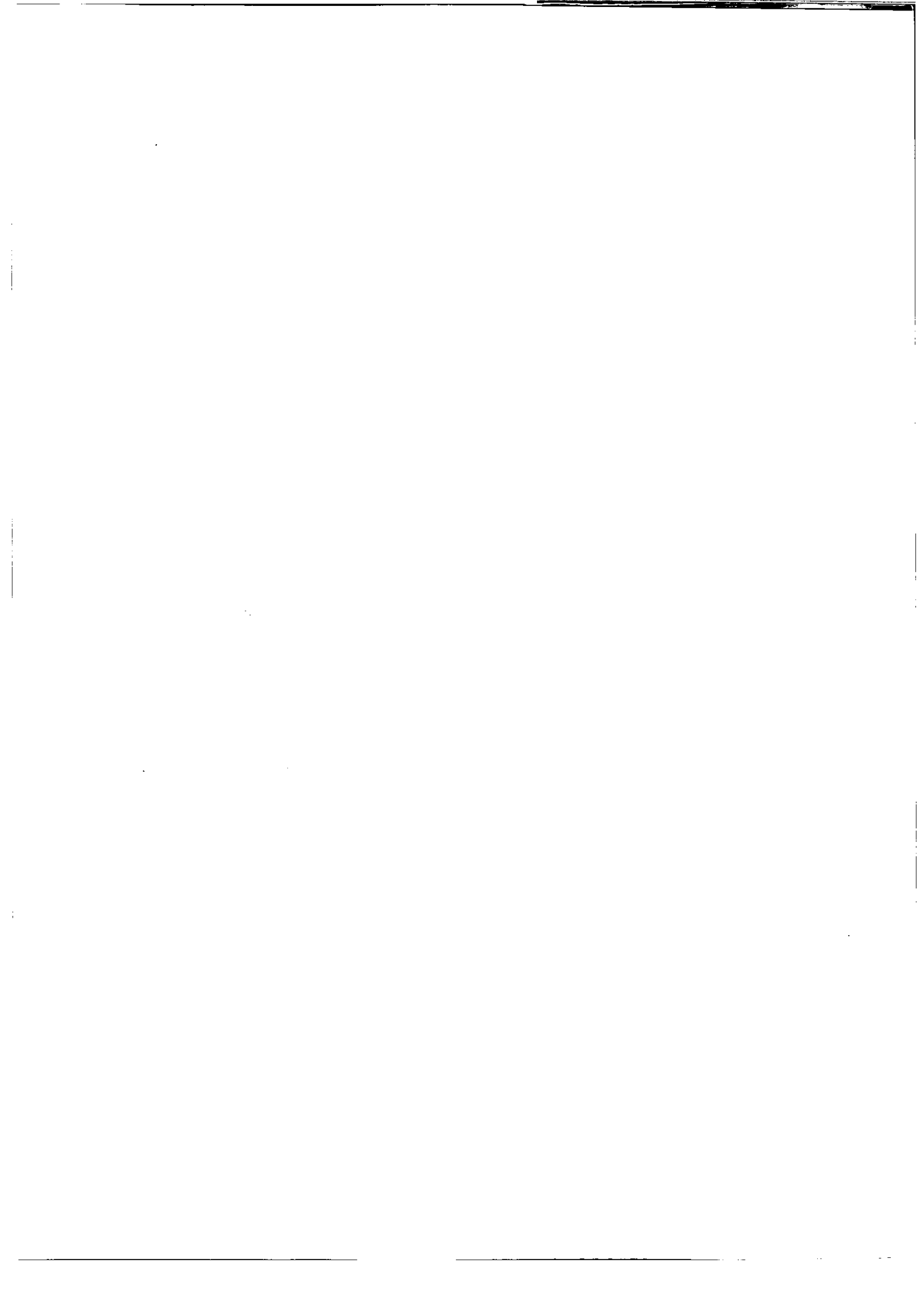
	<i>Notes</i>	<b>£000</b>
<b>GROUP OPERATING PROFIT</b>	2	-
Share of operating profit in associated undertaking		133,706
<b>TOTAL OPERATING PROFIT</b>		<b>133,706</b>
Interest receivable and similar income	5	5,990
Interest payable and similar charges	6	(39,706)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>99,990</b>
Tax on profit on ordinary activities	7	(29,177)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	12	<b>70,813</b>

The results for the period relate to continuing operations.

### CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the period 2 October 2007 to 31 March 2009

	<b>£000</b>
Profit for the financial period excluding share of profits of associated undertaking	-
Share of associated undertaking's profit for the period	70,813
Profit for the financial period attributable to members of the parent company	<b>70,813</b>
Currency translation differences – associated undertakings	38,994
Cash flow hedges – associated undertakings	(94,881)
Actuarial loss recognised in pension schemes - associated undertakings	(11,455)
<b>TOTAL GAINS RECOGNISED IN THE FINANCIAL PERIOD</b>	<b>3,471</b>




# Enrichment Holdings Limited

## CONSOLIDATED BALANCE SHEET

At 31 March 2009

	Notes	£000	£000
<b>FIXED ASSETS</b>			
Investments in associated undertakings	8		205,411
<b>DEBTORS: amounts falling due within one year</b>	9	<u>31,275</u>	
<b>NET CURRENT ASSETS</b>			<u>31,275</u>
<b>NET ASSETS</b>			<u>236,686</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10		-
Capital reserve	11		233,215
Profit and loss account	12		3,471
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13		<u>236,686</u>

These financial statements were approved by the Board of Directors on 24 August 2009 and were signed on its behalf by:-

  
R Nourse  
Director




# Enrichment Holdings Limited

## COMPANY BALANCE SHEET

At 31 March 2009

	Notes	£000	£000
<b>FIXED ASSETS</b>			
Investments	8		-
<b>DEBTORS: amounts falling due within one year</b>	9	-	
<b>NET CURRENT ASSETS</b>			-
<b>NET ASSETS</b>			-
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10		-
Profit and loss account	12		-
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13		-

These financial statements were approved by the Board of Directors on 24 August 2009 and were signed on its behalf by:-

  
R Nourse  
Director

# Enrichment Holdings Limited

## CONSOLIDATED CASH FLOW STATEMENT

For the period 2 October 2007 to 31 March 2009

	£000
Net cash inflow/(outflow) from operating activities	-
Dividends from associated undertakings	-
Returns on investment and servicing of finance	-
Taxation	-
Capital expenditure and financial investment	-
Acquisitions and disposals	-
Equity dividends paid	-
	<hr/>
Net cash inflow/(outflow) before use of liquid resources and financing	-
Management of liquid resources	-
Financing	-
	<hr/>
Increase/(decrease) in cash in the period	-
	<hr/>

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

For the period 2 October 2007 to 31 March 2009

### Reconciliation of net cash flow to movement in net funds

	£000
Increase/(decrease) in cash in the period	-
	<hr/>
Movement in net funds	-
	<hr/>
Closing net funds	-
	<hr/>

### Analysis of changes in net funds

	Cash flow £000	At 31 Mar 09 £000
Cash at bank and in hand	-	-
	<hr/>	<hr/>
	-	-
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# **Enrichment Holdings Limited**

## **NOTES TO THE FINANCIAL STATEMENTS**

**At 31 March 2009**

### **1. ACCOUNTING POLICIES**

#### ***Accounting convention***

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

#### ***Basis of consolidation***

The Group financial statements consolidate the financial statements of Enrichment Holdings Limited and its subsidiary undertakings. No profit and loss account is presented for Enrichment Holdings Limited as permitted by section 230 of the Companies Act 1985.

Entities, other than subsidiary undertakings or joint ventures, in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence are treated as associates. In the Group financial statements, associates are accounted for using the equity method.

The transfer of BNFL Enrichment Limited from British Nuclear Fuels Limited to Enrichment Holdings Limited on 1 April 2008 has been treated as a capital contribution in the Group accounts of Enrichment Holdings Limited. This treatment has been adopted on the basis that it represents a Group reorganisation by the ultimate Shareholder, being Her Majesty's Government represented by the Department for Business, Enterprise and Regulatory Reform (BERR) and then DECC.

#### ***Deferred taxation***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### ***Investments***

In the parent company financial statements investments in subsidiaries are accounted for at the lower of cost and net realisable value. The carrying values of investments are reviewed for impairment if events or changes in circumstances indicate that a provision for impairment is required.

#### ***Foreign currencies – Group***

The financial statements of associated undertakings reported in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account.

# **Enrichment Holdings Limited**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**At 31 March 2009**

### **2. NET OPERATING COSTS AND EXPENSES**

	<b>For the period 2 Oct 2007 to 31 Mar 2009 £000</b>
Audit of these financial statements	<b>10,000</b>
Amounts receivable by auditors and their associates in respect of:	
Audit of financial statements of subsidiaries pursuant to legislation	<b>5,000</b>
	<b><u>15,000</u></b>

The audit fees in respect of the period ended 31 March 2009 have been met as part of the British Nuclear Fuels Limited group audit, a company whose ultimate parent undertaking is Her Majesty's Government.

### **3. DIRECTORS' EMOLUMENTS**

The Directors received no emoluments during the period.

### **4. EMPLOYEE INFORMATION**

The Company had no employees during the period.

### **5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>For the period 2 Oct 2007 to 31 Mar 2009 £000</b>
Share of associated undertaking's interest receivable	<b><u>5,990</u></b>

### **6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>For the period 2 Oct 2007 to 31 Mar 2009 £000</b>
Share of associated undertaking's interest payable	<b><u>39,706</u></b>

# Enrichment Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 March 2009

### 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	For the period 2 Oct 2007 to 31 Mar 2009 £000
Associated undertaking's taxation charge	29,177
Current tax charge for the period	<u>29,177</u>

	£000
Profit on ordinary activities before taxation	<u>99,990</u>
Tax on profit at 28%	27,997
Effects of: Associated undertaking's taxation	1,180
Current tax charge for the period	<u>29,177</u>

### 8. INVESTMENTS

	Group £000	Company £000
Subsidiary undertakings	-	-
Associated undertakings	205,411	-
	<u>205,411</u>	<u>-</u>

#### *Subsidiary undertakings*

	Company £000
Additions	-
As at 31 March 2009	<u>-</u>

On 1 April 2008 the ordinary share capital of BNFL Enrichment was transferred under the Energy Act 2004 to the Company from British Nuclear Fuels Limited for nil consideration. The transfer was part of a Machinery of Government change by Her Majesty's Government to reorganise its investments in its subsidiary undertakings.

# Enrichment Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 March 2009

### 8. INVESTMENTS (CONTINUED)

#### *Associated undertakings*

URENCO Limited is the Group's only associated undertaking during the period. The Group's share of the profit and loss activity is for the nine months from acquisition of BNFL Enrichment Limited to 31 December 2008.

The amounts included below in respect of associated undertakings comprise:

	Group share of net assets £000
Net assets acquired on 1 April 2008	233,215
Share of retained profit and loss reserves	39,538
Foreign exchange adjustments	38,994
Cash flow hedges	(94,881)
Actuarial losses on pension schemes	(11,455)
<b>At 31 March 2009</b>	<b>205,411</b>
	<b>URENCO Limited</b>
	<b>For the 9</b>
	<b>month period</b>
	<b>to 31 Dec 08</b>
	<b>£000</b>
<b>Group's share of:</b>	
Turnover	299,895
Profit before taxation	99,990
Taxation	(29,177)
Profit after taxation	70,813
Reserves movement	
Currency translation differences	38,994
Cash flow hedges	(94,881)
Actuarial losses on pension schemes	(11,455)
<b>Total reserves movement</b>	<b>3,471</b>
Fixed assets	783,682
Current assets	231,783
Share of gross assets	1,015,465
Liabilities due within one year	(142,121)
Liabilities due after one year	(667,933)
Share of gross liabilities	(810,054)
<b>Share of net assets as at 31 December 2008</b>	<b>205,411</b>

# Enrichment Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 March 2009

### 8. INVESTMENTS (CONTINUED)

The undertakings in which the Group's interest at the period end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of share held
<i>Subsidiary undertakings</i>			
BNFL Enrichment Limited	England	Holding company	100% ordinary shares
<i>Associated undertakings</i>			
URENCO Limited *	England	Supply of enriched uranium	33% ordinary shares

\* The year end for URENCO Limited is 31 December 2008. The investment in URENCO Limited is held by BNFL Enrichment Limited.

### 9. DEBTORS: amounts falling due within one year

	Group £000	Company £000
Amounts owed by Parent Undertaking	31,275	-
	<u>31,275</u>	<u>-</u>

At 31 March 2009 the Group was owed £31,275,000 by the Department of Energy and Climate Change (DECC), a department of Her Majesty's Government. This balance arose as a result of a dividend receivable by the Group from its associated undertaking, URENCO Limited, being paid into the bank account of the ultimate parent undertaking (DECC).

Since the year end BNFL Enrichment Limited and Enrichment Holdings Limited have both declared a dividend amounting to £31,275,000 which discharges the liability owed by DECC at 31 March 2009.

### 10. SHARE CAPITAL

	£
Authorised:	
100 ordinary shares of £1 each	<u>100</u>
Allotted, called up and fully paid:	
2 ordinary shares of £1 each	<u>2</u>

# Enrichment Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 March 2009

### 11. CAPITAL RESERVE

	Group £000	Company £000
Capital contribution	233,215	-
At 31 March 2009	233,215	-

The transfer of BNFL Enrichment Limited from British Nuclear Fuels Limited to Enrichment Holdings Limited on 1 April 2008 has been treated as a capital contribution in the Group accounts of Enrichment Holdings Limited. The capital contribution of £233,215,000 arises as a result of the transfer which took place for nil consideration and resulted in net assets being consolidated at the date of acquisition of £233,215,000. This treatment has been adopted on the basis that it represents a Group reorganisation by the ultimate Shareholder, being Her Majesty's Government represented by the Department for Business, Enterprise and Regulatory Reform (BERR) and then DECC.

### 12. PROFIT AND LOSS ACCOUNT

	Group £000	Company £000
Profit for the financial period	70,813	-
Currency translation differences – associated undertakings	38,994	-
Cash flow hedges – associated undertakings	(94,881)	-
Actuarial loss recognised in pension schemes - associated undertakings	(11,455)	-
At 31 March 2009	3,471	-

### 13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Group £000	Company £000
Issued ordinary share capital	-	-
Profit for the financial period	70,813	-
Capital contribution (note 11)	233,215	-
Currency translation differences – associated undertakings	38,994	-
Cash flow hedges – associated undertakings	(94,881)	-
Actuarial loss recognised in pension schemes - associated undertakings	(11,455)	-
Net addition to shareholders' funds	236,686	-
Closing shareholders' funds	236,686	-





## **Enrichment Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**At 31 March 2009**

#### **14. RELATED PARTY TRANSACTIONS**

At 31 March 2009 the Group was owed £31,275,000 by the Department of Energy and Climate Change (DECC), a department of Her Majesty's Government. This balance arose as a result of a dividend receivable by the Group from its associated undertaking, URENCO Limited, being paid into the bank account of the ultimate parent undertaking (DECC).

Since the year end BNFL Enrichment Limited and Enrichment Holdings Limited have both declared a dividend amounting to £31,275,000 which discharges the liability owed by DECC at 31 March 2009.

#### **15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

At 31 March 2009 the Company's ultimate controlling party is DECC, a department of Her Majesty's Government. The shareholding in the Company was previously owned by BERR and was transferred to DECC at the time of formation of this department during 2008.