

Registered Number 6040606

# **UK Nuclear Waste Management Limited**

**Annual report for the year ended 31 March 2016**

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# **UK Nuclear Waste Management Limited**

## **Annual report for the year ended 31 March 2016**

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# **UK Nuclear Waste Management Limited**

## **Directors and statutory information**

### **Directors**

R C Bonner

P E A H de Montaignac de Chauvance

G McGill

D G Thompson

S G Usher

### **Secretary**

R C Cowen

### **Auditors**

Ernst & Young LLP

100 Barbirolli Square

Manchester, UK

M2 3EY

### **Registered Office**

UK Nuclear Waste Management Limited

Low Level Waste Repository Ltd

Old Shore Road

Drigg

Holmrook

Cumbria, UK

CA19 1XH

### **Registered Number**

6040606

# **UK Nuclear Waste Management Limited**

## **Strategic report for the year ended 31 March 2016**

The directors present their Strategic report for the year ended 31 March 2016.

### **Principal activities**

The Company's principal activity is to act as the Parent Body Organisation ("PBO") of LLWR Repository Limited ("LLWR Limited") which manages and operates the Low Level Waste Repository ("LLWR") near Drigg in West Cumbria on behalf of the Nuclear Decommissioning Authority ("NDA"). The initial five year period commencing 1 April 2008 ("the M&O agreement") was extended in 2013 by a further five years, to 31 March 2018. Operating costs relating to management fees are incurred by the Company, and dividends are received from its subsidiary. The Company acquired 100% of the issued share capital of LLWR Limited on 1 April 2008. The directors of UK Nuclear Waste Management Limited have concluded that, due to the nature of the contractual arrangements between itself, LLWR Limited and the NDA, although the Company owns 100% of the share capital of LLWR Limited, it has significant influence rather than control over its investment. Accordingly, the Company has not consolidated its investment in LLWR Limited.

The Company acquired 100% of the issued share capital of LLWR Limited together with the associated voting rights on 1 April 2008. The directors and management of UK Nuclear Waste Management Limited have concluded that although LLWR Limited is a subsidiary undertaking within the meaning of s1162 of the Companies Act 2006, the contractual arrangements are such that the Company's control over the subsidiary undertaking is restricted. However, UK Nuclear Waste Management Limited does have significant influence over its subsidiary and therefore, in accordance with IAS 28 "Investment in associates", LLWR Limited has been treated as an associate and accounted for using equity accounting.

The principal role of LLWR Limited is to operate the LLWR nuclear site under a site licence and operation contract (M&O contract) with the NDA. This includes nuclear facility management and operations, clean-up of legacy facilities and managing the customer interface between the Company and operations in the UK that send low level nuclear waste to the site.

In addition, LLWR Limited is tasked with the development and subsequent implementation of the UK National Waste Strategy with regards to low level waste. This focuses on extending the useful life of the repository through application of a waste hierarchy which encourages reduction, reuse and recycling of waste in preference to disposal. During the financial year LLWR Limited generated £15,612,000 gross revenues (2015: £17,312,000) in relation to waste treatment services. These services are managed at nil margins on behalf of the NDA as part of the implementation of the above strategy.

All costs incurred by LLWR Limited in the performance of the M&O contract are reimbursed by the NDA, provided that they are not in excess of the Annual Site Funding Limit or otherwise specifically disallowable under the contract. In return LLWR Limited is paid a fee against achievement of targets agreed annually with the NDA.

UK Nuclear Waste Management Limited has an obligation under the M&O contract to fund a £1,000,000 working capital facility. This enables LLWR Limited to meet its liabilities in advance of funding being made available from the NDA under the defined contract terms.

LLWR Limited submitted an Environmental Safety Case (ESC) to the Environment Agency in May 2011 for technical review. The ESC is an ongoing framework to be agreed with the Environment Agency that supports the environmental safety of the operations of the Company and ultimately allows a permit to dispose of solid radioactive waste in the Repository to be granted. During the summer of 2013, the Agency informed LLWR Limited that the ESC was adequate to support an application for a revised permit. In October 2013, LLWR Limited submitted an application for a revised permit to allow further disposal of LLW at the Repository site. The permit application proposes a radiological capacity sufficient to take all the LLW in the UK Radioactive Waste Inventory (i.e. up to 2130) requiring the levels of environmental protection provided by the LLW Repository. The Environment Agency completed its first consultation on LLW Repository's permit application in February 2014. Subsequent to that consultation the Environment Agency documented its review of the ESC and produced a decision document and draft permit. The Environment Agency went out to consultation on their draft decision at the end of May 2015. LLWR's revised permit based on the 2011 ESC came into force on 1<sup>st</sup> November 2015.

# **UK Nuclear Waste Management Limited**

## **Strategic report for the year ended 31 March 2016**

### **Principal activities (continued)**

In October 2015 LLWR Limited submitted a revised planning application to Cumbria County Council to enable the phased construction of an extension to existing Repository structures, higher stacking of containers in the Repository and construction of a final cap of the existing and new Repository structures. A planning determination is expected in summer 2016.

The Company's shareholders are URS International Holdings (UK) Limited (75%), Studsvik UK Limited (15%) and Areva NC (10%). There have been no changes in shareholdings in the financial year.

### **Review of business and future developments**

The key financial performance indicators monitored by the directors include turnover, dividend income and profit before tax. The profit for the year of the Company was £6,424,000 (2015 – £5,858,000), including £6,599,000 (2015 – £5,922,000) of equity accounted profits relating to LLWR Limited. Revenue earned by the Company was £1,609,000 (2015 – £1,859,000). The 14% decrease in revenue was the result of changes in the mix of the management team providing services to LLWR. The Company's own administrative costs totalled £173,000 (2015: £63,000). The increase in administrative expense is primarily due to costs incurred as part of the ongoing contract renewal process. Profit before tax increased to £6,426,000 in 2016 from £5,859,000. The Company's performance has been in line with the directors' expectations.

The directors consider that there are no non-financial performance indicators.

### **Principal risks and uncertainties**

The principal risk faced by the Company is that the NDA may not extend the Parent Body and M&O agreements beyond March 2018. Negotiations regarding the extensions of the contract beyond 2018 are ongoing.

The principal risks faced by LLWR Limited, which in turn impact the Company through dividend flows, are set out below:

Financial outturn is driven by operational performance against the NDA's performance-based incentives (PBI's) and waste diversion targets that form the basis of fees earned under the M&O contracts. The M&O contract is for a maximum of 17 years and awarded on a 5 + 5 + 5 + 2 basis. Future contract extensions are reliant on continued delivery of contract commitments including positive safety performance.

LLWR Limited is required to demonstrate effective management at the Repository, measured by a series of mechanisms, one of which is delivery of Performance Based Incentive's "PBIs" against which a fee is earned. Risks associated with poor performance will continue to be adequately mitigated and successful delivery of PBI's during FY2017 is expected to continue.

In an environment of continued funding pressure from government one of the key challenges facing LLWR Limited is to satisfy nuclear industry regulators by ensuring appropriate funding allocations to key risk mitigation projects. These include ensuring performance of key assets such as Repository drainage systems, repairs to historic Repository capping structures and demolition of legacy radioactive waste storage facilities. LLWR Limited is committed to ensuring these risks are actively managed through continuing discussion with regulators and the NDA.

In addition LLWR Limited is also dealing with legacy wastes on the Site for which the provenance data continues to be assessed. To date indications are that complications in dealing with legacy assets or wastes will require additional funding from the NDA.

# **UK Nuclear Waste Management Limited**

## **Strategic report for the year ended 31 March 2016**

### **Principal risks and uncertainties (continued)**

The risk of incorrect acceptance of waste for disposal or treatment owing to inappropriate or erroneous waste identification as a result of instrumentation failure, interpretation or human errors. The consequence of this may be reputational damage and potential financial liability. This risk is mitigated by stringent Company procedures and assurance activities that are under continuous review and improvement.

Approval of Planning Permission associated with ongoing disposal of waste at the Repository remains a risk and an area of uncertainty for the Company. Further, planning approval is required to implement the plans for Repository Optimisation that provide capacity for LLW disposal out to 2129.

Implementation of the national strategy is a key objective. Supply chain capability to provide treatment and disposal services is a key risk to this objective. LLWR Limited will help to mitigate this risk by working with the supply chain to increase its maturity and ensure sustainability.

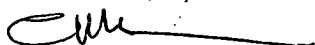
In the unlikely event that the NDA was no longer able to provide the funding for LLWR Limited to continue its waste management and decommissioning activities in compliance with the site licence conditions, the NDA would be required to purchase LLWR Limited for a nominal sum, thus reinforcing the NDA's responsibility for the underlying liabilities.

In addition the Company has identified the risk of bearing any disallowable costs that would not be borne by either LLWR Limited or the NDA. This risk is managed and mitigated by the Company's governance procedures and its oversight of LLWR Limited.

### **Financial instruments**

The risks associated with financial instruments, and the financial instrument risk management objectives, policies and strategies are discussed in note 14 of these financial statements.

By order of the Board



G McGill  
Director  
22 June 2016

# **UK Nuclear Waste Management Limited**

## **Directors' report for the year ended 31 March 2016**

The directors present their directors' report for the year ended 31 March 2016.

### **Going concern**

The initial five year contract awarded by the NDA ended on 31 March 2013. A further 5 year contract extension was awarded to UKNWM during March 2013, extending the contract to March 2018. The directors have therefore, prepared the financial statements on a going concern basis.

### **Future developments**

With successful completion of the first three years of the second NDA contract term; management attention at LLWR continues to be focussed on sustained delivery of contract objectives, namely:

1. Programme Management – LLWR will continue to increase its influence over the National Programme by executing additional governance structures put in place via the Low Level Waste Programme Board and implementing a structured training programme to improve waste management behaviours.
2. Service Provision – Supply chain sustainability is a high priority in order to mitigate any risk to delivery of waste diversion targets for the industry.
3. Repository Optimisation – LLWR will deliver an optimised site development programme which will increase the disposal capacity of the site.
4. Historic Liabilities – LLWR will continue to progress the decommissioning and demolition of the PCM facilities and commence capping of legacy disposal facilities.
5. Repository Operations – LLWR will continue to operate the UK's only national Low Level Waste Disposal site in a safe and environmentally responsible manner.

The contract objectives outlined above will deliver LLWR's vision and achieve the following by 2018:

Eliminate the requirement for a second UK Low Level Waste Repository;  
Substantial NDA estate-wide savings through the diversion of waste for treatment;  
Low Level Waste Repository life extension to 2129;  
Operation of an efficient low level waste system across the NDA estate;  
The role of LLWR Limited will be tailored to reflect the maturity of its customers and the supply chain;  
Cost savings will be secured through implementation of an optimised site development plan;  
Reduction in the historical liabilities at LLWR.

During the financial year ending March 2017 "FY2017" a contract assurance review will be performed jointly by LLWR and NDA. This will include an analysis of the impact of LLWR's activities on NDA estate and non-NDA estate customers and an assessment of the benefits realised from the Waste diversion approach. The work from this review will underpin a decision to be made in final quarter of FY2017 regarding NDA's further extension of the contract for a third 5 year term.

### **Results and dividends**

The profit after taxation amounted to £6,424,000 (2015: £5,858,000); the directors have recommended and paid dividends of £7,283,000 (2015: £5,301,000) to the shareholders of UK Nuclear Waste Management Limited in respect of the year ended 31 March 2016.

### **Distributable retained earnings**

At the year end the Company has reserves of £3,283,000 (2015 – £4,142,000). This balance includes the equity accounted profit of Low Level Waste Repository Limited of £6,599,000 for the current year (2015 – £5,922,000) less the PBO's own costs, less dividends paid during the year of £7,283,000. Distributable retained earnings of the Company are based upon dividends received from Low Level Waste Repository Limited rather than equity accounted profit. At the year-end distributable retained earnings were £604,000 (2015 – £272,000) (see note 16).

# UK Nuclear Waste Management Limited

## Directors' report for the year ended 31 March 2016

### Post balance sheet events

On 3 June 2016, LLW Repository Limited declared and paid a dividend to the Company of £500,000. The company then declared and paid a dividend of £500,000 on 9 June 2016.

On 17 June 2016, LLW Repository Limited declared and paid a dividend to the Company of £1,900,000.

### Charitable donations

The Company has made charitable donations of £Nil (2015: £26,000) during the year to local charities.

### Conversion to IFRS

For all periods up to and including the year ended 31 March 2015, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 March 2016, are the first the Company has prepared in accordance with IFRS. Accordingly, the Company has prepared individual financial statements which comply with IFRS applicable for periods beginning on or after 1 April 2015 and the significant accounting policies meeting those requirements are described in the relevant notes. In preparing these financial statements, the Company has started from an opening balance sheet as at 1 April 2014, the Company's date of transition to IFRS, and made those changes in accounting policies and other restatements required for the first-time adoption of IFRS. Please refer to Note 21 for further documentation.

### Directors

The directors who held office during the year and up to the date of the approval of these financial statements are given below:

R C Bonner  
P E A H de Montaignac de Chauvance  
G McGill  
D G Thompson  
S G Usher

### Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union.

Under Company Law the directors must not approve the Company's financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the Company for the year. In preparing these financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- make judgments and estimates that are reasonable and prudent.

The directors are responsible for keeping adequate accounting records that 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.



# **UK Nuclear Waste Management Limited**

## **Directors' report for the year ended 31 March 2016**

### **Auditors**

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

so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and;

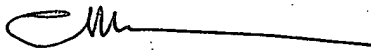
the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

### **Annual General Meetings 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



G McGill  
Director  
22 June 2016

## INDEPENDENT AUDITOR'S REPORT

We have audited the Annual Report and Financial statements of UK Nuclear Waste Management Limited for the year ended 31 March 2016 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 5 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 set out on page 7, 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 strategic report and directors 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 the 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

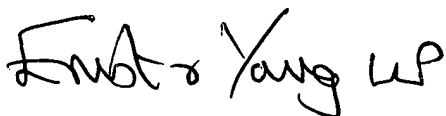
### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Julian Yates (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Manchester  
24 June 2016

# UK Nuclear Waste Management Limited

## Income statement for the year ended 31 March 2016

	Notes	2016 £'000	2015 Restated £'000
<b>Revenue</b>	2	1,609	1,859
Cost of sales		(1,609)	(1,859)
<b>Gross profit</b>		-	-
Administrative expenses		(173)	(63)
<b>Operating loss</b>	3	(173)	(63)
Share of post-tax results of associate	8	6,599	5,922
Finance revenue	5	30	30
Finance expense	6	(30)	(30)
<b>Profit before taxation</b>		6,426	5,859
Tax on profit	7	(2)	(1)
<b>Profit for the financial year</b>	16	6,424	5,858

All of the results included in the profit and loss account are from continuing activities.  
The Company has no recognised gains or losses other than the results for the year as set out above.

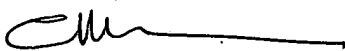
# UK Nuclear Waste Management Limited

## Statement of financial position as at 31 March 2016

		2016	2015	As at 1 April 2014
	Notes	£'000	Restated £'000	Restated £'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investments accounted for using the equity method	8	2,679	3,870	3,417
Loans to associated undertakings	9	1,000	1,500	1,500
		3,679	5,370	4,917
<b>Current assets</b>				
Trade and other receivables	10	238	239	204
Cash and cash equivalents	11	652	321	641
		890	560	845
<b>Total assets</b>		<b>4,569</b>	<b>5,930</b>	<b>5,762</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	12	(286)	(288)	(677)
		(286)	(288)	(677)
<b>Non-current liabilities</b>				
Financial liabilities	13	(1,000)	(1,500)	(1,500)
<b>Total liabilities</b>		<b>(1,286)</b>	<b>(1,788)</b>	<b>(2,177)</b>
<b>Net assets</b>		<b>3,283</b>	<b>4,142</b>	<b>3,585</b>
<b>Equity</b>				
Share capital	15	-	-	-
Retained earnings	16	3,283	4,142	3,585
<b>Total equity attributable to equity holders of the Company</b>	16	<b>3,283</b>	<b>4,142</b>	<b>3,585</b>

Company Number: 6040606

The financial statements were approved by the board of directors on 22 June 2016 and were signed on its behalf by:



G McGill  
Director

## UK Nuclear Waste Management Limited

### Statement of changes in equity for the year ended 31 March 2016

	Equity share capital £'000	Retained earnings £'000	Total Equity £'000
<b>At 1 April 2014</b>	-	3,585	3,585
Total comprehensive income for the year	-	5,858	5,858
Equity dividends paid	-	(5,301)	(5,301)
<b>At 1 April 2015</b>	-	4,142	4,142
Total comprehensive income for the year	-	6,424	6,424
Equity dividends paid	-	(7,283)	(7,283)
<b>At 31 March 2016</b>	-	3,283	3,283

# UK Nuclear Waste Management Limited

## Statement of cash flows for the year ended 31 March 2016

	Notes	2016 £'000	2015 £'000
<b><i>Cash flow from operating activities</i></b>			
Operating loss		(173)	(63)
Decrease/(Increase) in receivables		1	(35)
(Decrease) in payables		(3)	(389)
Cash absorbed by operations		(175)	(487)
Income tax paid		(1)	(1)
<b><i>Net cash outflow from operating activities</i></b>		<b>(176)</b>	<b>(488)</b>
<b><i>Investing activities</i></b>			
Interest received		30	30
Loan repaid by subsidiary undertakings		500	-
Dividends received from subsidiary undertaking		7,790	5,469
<b><i>Net cash inflow from investing activities</i></b>		<b>8,320</b>	<b>5,499</b>
<b><i>Financing activities</i></b>			
Interest paid to shareholders		(30)	(30)
Borrowings repaid to shareholders		(500)	-
Dividends paid to shareholders		(7,283)	(5,301)
<b><i>Net cash outflow from financing activities</i></b>		<b>(7,813)</b>	<b>(5,331)</b>
<b><i>Net inflow/(outflow) in cash and cash equivalents</i></b>		<b>331</b>	<b>(320)</b>
Cash and cash equivalents at the beginning of the year		321	641
<b><i>Cash and cash equivalents at the year end</i></b>	11	<b>652</b>	<b>321</b>

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 1. Accounting policies

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

#### **Basis of preparation**

UK Nuclear Waste Management Limited is a private limited Company incorporated and domiciled in England and Wales. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted for use in the EU ("adopted IFRS"), International Financial Reporting Interpretations Committee ("IFRIC") interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements of UK Nuclear Waste Management Limited for year ended 31 March 2016 were authorised for issue by the board of Directors on 22 June 2016 and the balance sheet was signed by G McGill on the board's behalf.

#### *Changes in accounting policy and disclosures*

The company's accounting policies have been revised with effect from 1 April 2014 to reflect IFRS as adopted by the European Union. On the Company's transition to IFRS, the differences in the accounting policies from UK GAAP to IFRS have resulted in no numerical differences in the financial position, financial performance and cash flow of the Company. There are, however, additional disclosures and some formatting changes in a number of the Notes in the financial statements, which have been included / applied as per the relevant Standards.

A reconciliation has been included in Note 21, to comply with IFRS 1 First Time adoption of International Reporting Standards, however as noted there are no numerical differences.

#### *New standards and interpretations not applied*

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below and have not been adopted by the Company. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

- IAS 1 Disclosure Initiative – (Amendments to IAS 1)
- IAS 16 and IAS 38 – Clarification of Acceptable methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- IAS 27 – Equity Method in Separate Financial Statements (Amendments to IAS 27)
- Annual Improvements to IFRSs 2016-2017 Cycle
- IAS 7 Disclosure Incentive (Amendments to IAS 7)
- IAS 12 Recognition of Deferred Tax Assets for Unrealised losses (Amendments to IAS 12)
- IFRS 15 Revenue from Contracts with Customers
- IFRS 9 Financial Instruments
- IFRS 16 Leases

The directors do not expect the adoption of the other standards and interpretations to have a material impact on the company financial statements in the period of initial application.

The calculation of accruals includes estimates and judgements that are reasonable and prudent.

Significant influence under IAS 28 requires UK Nuclear Waste Management Limited to account for LLWR Limited as an associate and not as a subsidiary for financial reporting purposes. Therefore, under IAS 28, UK Nuclear Waste Management Limited is required to equity account for its interest in LLWR Limited.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 1. Accounting policies (continued)

#### **Interests in associates**

The Company's interest in its associates, being those entities over which it has significant influence, and which are neither subsidiaries nor joint ventures, are accounted for using the equity method of accounting. Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associate, less distributions received and less any impairment in value of individual investments. The income statement reflects the share of the associate's income after tax, and the statement of comprehensive income represents the share of the associates other comprehensive income after tax.

Financial statements of the associate are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies used into line with those of the Company; to take into account fair values assigned at the date of acquisition and to reflect impairment losses where appropriate. Adjustments are also made in the equity accounted financial statements to eliminate the share of unrealised gains and losses on transactions between the Company and its associates.

#### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, excluding value added tax. The following criteria must also be met before revenue is recognised:

##### *Rendering of services*

Revenue for secondeed services supplied to LLWR Limited is recognised based upon time, expenses incurred and performance criteria.

##### *Interest income*

Revenue is recognised as interest accrues using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount.

##### *Dividends*

Revenue is recognised when the Company's right to receive payment is established.

#### **Cash and cash equivalents**

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

#### **Trade and other receivables**

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

#### **Financial liabilities**

##### *Interest bearing loans from shareholders*

Obligations for loans from shareholders are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans from shareholders are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of financial liabilities are recognised respectively in finance revenue and finance expense.



# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 1. Accounting policies (continued)

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated

#### Going concern

The Company is financed solely by loans from its shareholders. The Company's forecasts and projections of the return on its investment in its legal subsidiary Company, taking into account possible changes in circumstances, indicate that the future cash flows from the Company's investments will enable the Company to meet repayments on the loans as they fall due. Further details regarding how the directors reached their conclusion on going concern are set out in the Directors report on page 6.

#### Contract renewal costs

Costs associated with contract renewal are expensed as they are incurred.

#### Taxation

Income tax expense comprises the sum of current tax charge and the movement in deferred tax.

Current tax payable or recoverable is based on taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Tax is recognised in the income statement except to the extent that it relates to items recognised in equity, in which case it is recognised in the statement of changes in equity.

### 2. Revenue

Revenue is derived from secondees services supplied to LLWR Limited in accordance with the M&O agreement. All revenue has arisen in the United Kingdom.

	2016 £'000	2015 £'000
United Kingdom	1,609	1,859

### 3. Operating loss

The operating loss is stated after charging:

	2016 £'000	2015 £'000
Audit of the Company financial statements	10	10
Other fees to auditors:		
- Other services relating to taxation	3	4
- All other services	1	1

### 4. Staff costs and directors' emoluments

The directors received no emoluments from the Company for their services (2015 - nil.)

The Company has no employees (2015-nil).

### 5. Finance revenue

	2016 £'000	2015 £'000
Interest receivable from associate	30	30

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 6. Finance expense

	2016 £'000	2015 £'000
Interest payable on loans from group companies	22	22
Interest payable on loans from related party companies	8	8
	30	30

### 7. Taxation – continuing operations

	2016 £'000	2015 Restated £000
<b>(a) Tax charge in the income statement</b>		
Current income tax	2	1
	2	1

	2016 £'000	2015 £'000
<b>(b) Reconciliation of the total tax charge</b>		
Accounting profit	<u>6,426</u>	<u>5,859</u>
Tax on profit of ordinary activities at standard UK corporation tax rate of 20% (2015- 21%)	1,285	1,230
Effects of:		
Post-tax profits of associate	(1,320)	(1,243)
Tax (credit) in respect of prior periods	-	(1)
Transfer pricing adjustment	37	15
	2	1

### (c) Factors that may affect future tax charges

The UK corporation tax rate reduced to 20% from April 2015. During the Summer Budget Statement of 8 July 2015, the Chancellor of the Exchequer announced reductions in the main rate of UK corporation tax to 19%, from 1 April 2017, and to 18%, from 1 April 2020. As these rates were not substantively enacted at the balance sheet date they have not been reflected in the deferred tax calculated.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 8. Investment in associate

	2016	2015
	£'000	Restated £000
Investment in associate	2,679	3,870
Share of post-tax results of associate	6,599	5,922

Investment in associate - movement	2016 £'000	2015 Restated £'000
As at 1 April	3,870	3,417
Share of post-tax results of associate	6,599	5,922
Dividends received	(7,790)	(5,469)
As at 31 March	2,679	3,870

The Company has a 100% interest in LLW Repository Limited, a private Company which provides nuclear facility management and operations, clean-up of legacy facilities and managing the customer interface between the Company and operations in the UK that send low level nuclear waste to the site. The Company is registered in England and Wales. The investment in Low Level Waste Repository Limited was acquired on 1 April 2008 for consideration of £2 paid in cash. As explained in note 1, Low Level Waste Repository Limited is accounted for as an associate due to contractual restrictions over UK Nuclear Waste Management Limited's ability to exercise control.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 8. Investment in associate (continued)

The following table illustrates summarised financial information of the Company's investment in LLW Repository Limited:

	2016 £'000	2015 Restated £'000
<b>Share of the associate's balance sheet:</b>		
Share of gross assets	31,968	36,363
Share of gross liabilities	(29,289)	(32,493)
Share of net assets	2,679	3,870
<b>Share of the associate's income statement for the year 1 April to 31 March:</b>		
Revenue	8,313	7,615
Profit after tax	6,599	5,922
<b>Share of the associate's statement of equity for the year 1 April to 31 March</b>		
Actuarial loss/(gain) recognized in the Combined Nuclear Pension Plan ("CNPP")	2,216	(3,637)
Actuarial loss/(gain) on GPS/ONPP funded by NDA	(2,216)	3,637
Net changes in equity	-	-
	2016 £'000	2015 Restated £'000
<b>Additional information: Share of the associate's gross fees and reimbursement of Site Licence Company costs for the year 1 April to 31 March</b>	77,022	73,770

The gross fees and reimbursement of Site License Company costs includes both fee income (revenue) earned and the reimbursement of costs by the Nuclear Decommissioning Authority under the terms of the M&O agreement. This is memorandum information and does not form part of the primary statements of the associate.

	2016 £	2015 £
Investment at cost and net book value	2	2

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 8. Investment in associate (continued)

The investment in associate as at 31 March 2016 and at 31 March 2015 was as follows:

	Country of incorporation	Percentage of Ordinary shares held by the Company
<b>Company:</b>		
LLW Repository Limited	England & Wales	100%
<b>Activities:</b>		
Operation of the Low Level Waste Repository nuclear site under site licence and operation contracts with the Nuclear Decommissioning Authority		

Shareholdings are held in the name of UK Nuclear Waste Management Limited.

As a result of the operation of the contractual arrangement between the Company, LLW Repository Limited and the Nuclear Decommissioning Authority, the directors have concluded that, although the investment in LLW Repository Limited is a legal subsidiary undertaking within the meaning of S1162 of Companies Act 2006, the circumstances are such that the Company is restricted from controlling its legal subsidiary and instead has significant influence over it. As a consequence, under S405 (3)(a) of Companies Act 2006, the Company has concluded that it should not consolidate its legal subsidiary. In accordance with IFRS 10, as the Company has no other legal subsidiary undertakings, the Company has further concluded that it should not prepare consolidated financial statements.

### 9. Loans to associated company or undertaking

	2016 £'000	2015 £'000
Loan to associated undertaking	1,000	1,500

The loan comprises amounts receivable from LLWR Limited. The loan is repayable on 31 March 2018 or earlier by agreement of the parties. £500,000 was repaid on 30 March 2016. Interest is charged at a rate of 1.5% above LIBOR on an annual basis.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 10. Current trade and other receivables

	2016 £'000	2015 £'000
<b>Amounts expected to be recovered within one year:</b>		
Prepaid expenses	4	3
Amounts owed by associated undertaking	216	225
Corporation tax	-	9
Other tax	18	2
	<b>238</b>	<b>239</b>

The amounts owed by associate are amounts receivable from LLWR Limited, none of which are overdue.

### 11. Cash and cash equivalents

	2016 £'000	2015 £'000
Cash at bank and short-term deposits	652	321

### 12. Current trade and other payables

	2016 £'000	2015 £'000
Trade payables	-	4
Amounts owed to group undertakings	209	187
Amounts owed to related party undertakings	49	77
Corporation tax	3	-
Accruals	25	20
	<b>286</b>	<b>288</b>

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 13. Financial liabilities

	2016 £'000	2015 £'000
Amounts owed to group undertakings	750	1,125
Amounts owed to related party undertakings	250	375
	1,000	1,500

Amounts owed to shareholders comprise the following unsecured loans shown at their carrying value as at 31 March 2016, with interest being charged at a variable rate of LIBOR +1.5% margin. The revolving credit facility loan is due for repayment on the earlier of 31 March 2018 or on the date on which the borrower ceases to be a wholly owned subsidiary. A repayment of £500,000 was made in March 2016 (2015 – £nil). Interest accrued at 31 March 2016 was £7,000 (2015 – £7,000).

### 14. Financial instruments

#### *Financial instrument risk management objectives, policies and strategies*

The Company finances its activities with loans from shareholders and cash and short-term deposits. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's trading activities. The Company does not trade in financial instruments. Financial instruments give rise to foreign currency, interest rate, credit, price and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes agreed by the board for their management and the methods used to measure each risk.

#### *Foreign exchange rate risk*

Even though all of the shareholders are ultimately owned by companies which are not registered in the United Kingdom, the Company itself has minimal exposure to foreign currency risk as all transactions and balances are in British Pound Sterling.

#### *Interest rate risk*

The rate of interest charged to LLW Repository Limited and the rate of interest credited to the shareholders on the revolving facility loan are both linked to LIBOR and therefore, the interest rate risk to the Company is therefore minimised, given that there will be a nil profit effect with any interest rate fluctuations.

#### *Credit risk*

As disclosed in note 10, there is a credit risk in relation to balances due from LLW Repository Limited. However, as noted in the accounting policies, the contractual arrangements between the Company, its associate and the Nuclear Decommissioning Authority "NDA" are such that this risk is mitigated. In the unlikely event that the NDA was no longer able to provide the funding for LLW Repository Limited, the NDA would be required to purchase LLW Repository Limited for a nominal sum, thus reinforcing the NDA's responsibility for the underlying liabilities and reducing the credit risk to the Company.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 14. Financial instruments (continued)

#### *Liquidity risk*

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Repayable:	On demand £'000	Less than 3 months £'000	3 to 12 months £'000	1 to 5 years £'000
<i>Interest bearing loans:</i>				
2016	-	7	-	1,000
2015	-	7	-	1,500
<i>Trade and other payables:</i>				
2016	276	-	3	-
2015	281	-	-	-

#### *Fair values of financial assets and liabilities*

For financial instruments not traded in active markets for which no quoted market price is available the fair value was determined using valuation techniques. The fair value of loan notes, other financial assets and borrowings has been calculated by discounting the expected future cash flows at prevailing market interest rates for instruments with substantially the same terms and characteristics. The carrying value of short term receivables and payables are assumed to approximate their fair values where discounting is not material.

The fair values of the financial assets and liabilities are not materially different from their book values.

### 15. Share capital

	2016 £	2015 £
<b>Called up and allotted and fully paid:</b>		
100 ordinary shares of £1 each	100	100



# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 16. Reserves

	Retained earnings		Total
	£'000	£'000	£'000
At 1 April 2014		3,585	3,585
Total comprehensive income for the year		5,858	5,858
Equity dividends paid			
1 <sup>st</sup> dividend (£12,250 per share)	1,225		
2 <sup>nd</sup> dividend (£17,000 per share)	1,700		
3 <sup>rd</sup> dividend (£9,500 per share)	950		
4 <sup>th</sup> dividend (£7,540 per share)	754		
5 <sup>th</sup> dividend (£2,770 per share)	277		
6 <sup>th</sup> dividend (£3,950 per share)	395		
		(5,301)	(5,301)
At 1 April 2015		4,142	4,142
Total comprehensive income for the year		6,424	6,424
Equity dividends paid			
1 <sup>st</sup> dividend (£31,020 per share)	3,102		
2 <sup>nd</sup> dividend (£5,500 per share)	550		
3 <sup>rd</sup> dividend (£8,800 per share)	880		
4 <sup>th</sup> dividend (£1,570 per share)	157		
5 <sup>th</sup> dividend (£8,840 per share)	884		
6 <sup>th</sup> dividend (£12,100 per share)	1,210		
7 <sup>th</sup> dividend (£5,000 per share)	500		
		(7,283)	(7,283)
At 31 March 2016		3,283	3,283

The Company's share of the associate's profit after tax, as recorded in the income statement, is not distributable until such time as it is received by the Company by way of dividends from LLW Repository Limited. At 31 March 2016 the amount recorded within reserves which is not considered distributable is £2,679,000 (2015 – £3,870,000). The distributable retained earnings at 31 March 2016 are £604,000 (2015 – £272,000).

### 17. Financial commitments

At 31 March 2016 and 31 March 2015, the Company has no capital commitments or operating lease commitments.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 18. Related party transactions

At 31 March 2016, the Company identified the following companies as related parties:

<i>Company</i>	<i>Relationship with UK Nuclear Waste Management Limited</i>
<b>LLW Repository Limited</b>	Associate by virtue of the Company's 100% shareholding in LLW Repository Limited
<b>Areva-NC</b>	Related party by virtue of its 10% shareholding in the Company
<b>Areva Risk Management Consulting Limited</b>	Related party by virtue of shareholder in common, via Areva-NC
<b>Studsvik UK Limited</b>	Related party by virtue of its deemed 15% shareholding in the Company
<b>URS International Holdings (UK) Limited</b>	Group undertaking by virtue of its 75% shareholding in the Company
<b>URS E&amp;C UK Limited</b>	Group undertaking by virtue of common control via URS International Holdings (UK) Limited's 75% shareholding in the Company
<b>AECOM Infrastructure &amp; Environment UK Limited</b>	Group undertaking by virtue of common control of ultimate parent undertaking

#### Associated undertaking

Included within Note 9 as 'Loans to associated company is a balance of £1,000,000 (2015: £1,500,000) in respect of a loan to LLWR Limited. Interest on this loan is receivable at 1.5% above LIBOR per annum, payable on a quarterly basis. Interest receivable amounted to £30,000 for the financial year (2015: £30,000). At the balance sheet date, interest of £7,000 (2015: £7,000) was due and disclosed within Note 10 as 'Amounts owed by associated undertaking.'

Also included in Note 10 as 'Amounts owed by associated undertaking' is a balance of £209,000 (2015: £218,000) receivable from LLWR Limited in respect of services provided by the Company. The total value of services provided in the financial year was £1,609,000 (2015: £1,859,000).

#### Related party and group undertakings

Note 12, 'Current trade and other payables' and note 13 'Financial liabilities' include £1,258,000 (2015: £1,764,000); this comprised amounts payable to related party and group undertakings of £299,000 (2015: £452,000) and £959,000 (2015: £1,312,000), respectively.

The amounts payable to related party and group undertakings comprise amounts outstanding in respect of, trade services of £251,000 (2015: £257,000), loans of £1,000,000 (2015: £1,500,000) and interest payable of £7,000 (2015: £7,000).

The loans are repayable on 31 March 2018 or by agreement of the parties. £500,000 was repaid on 30 March 2016. Interest is charged at 1.5% above LIBOR per annum, payable on a quarterly basis. Details of the amounts payable to each of the Company's related parties are provided below.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 18. Related party transactions (continued)

#### Trade Services

Included in Note 12, 'Current trade and other payables', is a balance of £251,000 (2015: £257,000) relating to services provided to the Company. This balance outstanding and the value of services provided in the financial year are analysed between the Company's related parties in the following table:

	<i>Studsvik UK Limited</i>	<i>Areva Risk Management Consulting Limited</i>	<i>Amounts owed to related party undertakings</i>	<i>Amounts owed to group undertakings</i>	<i>Total</i>
<b>31 March 2016</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Services Provided	357,000	-	357,000	1,301,000	1,658,000
Trade Payables	47,000	-	47,000	204,000	251,000
<b>31 March 2015</b>					
Services Provided	375,000	-	375,000	1,481,000	1,856,000
Trade Payables	75,000	-	75,000	182,000	257,000

#### Loans

Included within Note 13, 'Financial liabilities', is a balance of £1,000,000 (2015: £1,500,000) relating to loans made to the Company by its related parties. The balance of loans outstanding at the balance sheet date is split between the Company's related parties as shown in the following table:

	<i>Studsvik UK Limited</i>	<i>Areva- NC</i>	<i>Amounts owed to related party undertakings</i>	<i>Amounts owed to group undertakings</i>	<i>Total</i>
<b>31 March 2016</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loan Outstanding	150,000	100,000	250,000	750,000	1,000,000
<b>31 March 2015</b>					
Loan Outstanding	225,000	150,000	375,000	1,125,000	1,500,000

#### Interest payable

Included within Note 12, 'Current trade and other payables', is a balance outstanding of £7,000 (2015: £7,000) relating to interest charged on loans from the Company's related parties. Interest is charged at 1.5% above LIBOR per annum, payable on a quarterly basis. The balance outstanding at the balance sheet date and the value of interest accrued in the financial year are analysed between the Company's related parties in the following table:

	<i>Studsvik UK Limited</i>	<i>Areva- NC</i>	<i>Amounts owed to related party undertakings</i>	<i>Amounts owed to group undertakings</i>	<i>Total</i>
<b>31 March 2016</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest Accrued	4,000	3,000	7,000	23,000	30,000
Interest Paid	4,000	3,000	7,000	23,000	30,000
Interest Payable	1,000	1,000	2,000	5,000	7,000
<b>31 March 2015</b>					
Interest Accrued	5,000	3,000	8,000	23,000	31,000
Interest Paid	4,000	3,000	7,000	23,000	30,000
Interest Payable	1,000	1,000	2,000	5,000	7,000

# **UK Nuclear Waste Management Limited**

## **Notes to the financial statements for the year ended 31 March 2016**

### **19. Events after the balance sheet date**

On 3 June 2016, LLW Repository Limited declared and paid a dividend to the Company of £500,000. The company then declared and paid a dividend of £500,000 on 9 June 2016.

On 17 June 2016, LLW Repository Limited declared and paid a dividend to the Company of £1,900,000.

### **20. Ultimate parent Company and controlling party**

The immediate parent undertaking is URS International Holdings (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate controlling party and parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up which include the company, is AECOM incorporated in the United States of America. Copies of AECOM's financial statements can be obtained from 1999 Avenue of the Stars, Suite 2600, Los Angeles, CA 90067, United States of America.

### **21. Transition to IFRS**

For all periods up to and including the year ended 31 March 2015, the Company prepared its financial statements in accordance with United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 March 2016, are the first the Company has prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Accordingly the Company has prepared financial statements which comply with IFRS applicable for periods beginning on or after 1 April 2015 as described in the accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 April 2014, the Company's date of transition to IFRS. This note highlights that numerical adjustments were needed to the financial statements in restating its UK GAAP statement of financial position as at 1 April 2014 and its previously published UK GAAP financial statements for the year ended 31 March 2015.

IFRS requires a different accounting treatment for investments in associates. Such investments are accounted for using the equity method. Rather than showing the investment at cost, the balance sheet reflects the Company's share of the net assets of LLWR Limited. The profit and loss account reflects the company's share of the profit or loss of LLWR Limited. This has resulted in an increase in the net assets of the Company for the amount of the unremitted dividends retained by LLWR Limited. It should be noted however, that the income relating to these unremitted earnings of LLWR Limited cannot be distributed by the Company until they are actually received as dividends.

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 21. Transition to IFRS (continued)

#### Reconciliation of Income Statement from UK GAAP to IFRS for the year ended 31 March 2015.

	Previously reported under UK GAAP £000	Adjustments £000	Restated under IFRS £000
Revenue	1,859	-	1,859
Cost of Sales	(1,859)	-	(1,859)
<b>Gross Profit</b>	-	-	-
Administrative expenses	(63)	-	(63)
<b>Operating loss</b>	(63)	-	(63)
Finance revenue	30	-	30
Finance expense	(30)	-	(30)
Share of post-tax results of associate	-	5,922	5,922
Income from shares in associated companies	5,469	(5,469)	-
<b>Profit on continuing activities before taxation</b>	5,406	453	5,859
Tax expense	(1)	-	(1)
<b>Profit for the year</b>	5,405	453	5,858

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 21. Transition to IFRS (continued)

#### Reconciliation of equity from UK GAAP to IFRS as at 31 March 2015.

	Previously reported under UK GAAP £'000	Adjustments £'000	Restated under IFRS £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments accounted for using the equity method	-	3,870	3,870
Shares in associated companies	-	-	-
Loans to associated undertakings	1,500	-	1,500
	1,500	3,870	5,370
<b>Current assets</b>			
Trade and other receivables	239	-	239
Cash and cash equivalents	321	-	321
	560	-	560
<b>Total assets</b>	2,060	3,870	5,930
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	(288)	-	(288)
	(288)	-	(288)
<b>Non-current liabilities</b>			
Financial liabilities	(1,500)	-	(1,500)
<b>Total liabilities</b>	(1,788)	-	(1,788)
<b>Net assets</b>	272	3,870	4,142
<b>Equity</b>			
Share capital	-	-	-
Retained earnings	272	3,870	4,142
<b>Total equity attributable to equity holders of the Company</b>	272	3,870	4,142

# UK Nuclear Waste Management Limited

## Notes to the financial statements for the year ended 31 March 2016

### 21. Transition to IFRS (continued)

#### Reconciliation of equity from UK GAAP to IFRS as at 1 April 2014

	Previously reported under UK GAAP £'000	Adjustments £'000	Restated under IFRS £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments accounted for using the equity method	-	3,417	3,417
Shares in associated companies	-	-	-
Loans to associated undertakings	1,500	-	1,500
	1,500	3,417	4,917
<b>Current assets</b>			
Trade and other receivables	204	-	204
Cash and cash equivalents	641	-	641
	845	-	845
<b>Total assets</b>	2,345	3,417	5,762
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	(677)	-	(677)
	(677)	-	(677)
<b>Non-current liabilities</b>			
Financial liabilities	(1,500)	-	(1,500)
<b>Total liabilities</b>	(2,177)	-	(2,177)
<b>Net assets</b>	168	3,417	3,585
<b>Equity</b>			
Share capital	-	-	-
Retained earnings	168	3,417	3,585
<b>Total equity attributable to equity holders of the Company</b>	168	3,417	3,585