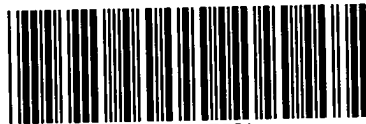


Registered Number 6040606

UK Nuclear Waste Management Limited
Annual report and financial statements
for the year ended 31 March 2014

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UK Nuclear Waste Management Limited

Directors' report and financial statements for the year ended 31 March 2014

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UK Nuclear Waste Management Limited

Directors and statutory information

Directors

S G Usher

J R Krellmann

D G Thompson

G McGill

P E A H de Montaignac de Chauvance

Auditors

Ernst & Young LLP

100 Barbirolli Square

Manchester, UK

M2 3EY

Registered Office

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 2014

The directors present their Strategic for the year ended 31 March 2014.

Principal activities

The Company's principal activity is to act as the Parent Body Organisation ("PBO") of LLW 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") for a minimum of a five year period commencing 1 April 2008 ("the M&O agreement"). 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 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, 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 year the LLWR Limited generated £16,611,312 gross revenues (2013: £22,923,190) in relation to waste treatment services. FY2013 gross revenues include a large one off project for valued at £14,900,000. 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.

LLWR Limited has an obligation under the M&O contract to fund a £1,500,000 working capital facility. This will enable 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. 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 low level waste at the repository site. The permit application proposes a radiological capacity sufficient to take all the low level waste in the UK Radioactive Waste Inventory (i.e. up to 2030) requiring the levels of environmental protection provided by the LLWR facility. The outcome of the permit application is currently expected to be known in the first quarter of 2015 calendar year.

The Company's shareholders are URS International Holdings (UK) Limited (75%), Studsvik UK Limited (15%) and Areva NC (10%).

Key financial performance indicators.

The key financial performance indicators monitored by the directors include turnover, dividend income and profit before tax. In the year ended 31 March 2014, the Company achieved sales of £2,398,000 (2013: £2,945,000) on its reimbursable cost base of £2,398,000 (2013: £2,945,000). Dividend income was £8,331,000 (2013: £2,950,000). The Company's own administrative costs totalled £65,000 (2013: £534,000). Profit before tax increased from £2,416,000 in 2013 to £8,266,000. The Company's performance has been in line with the directors' expectations.

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

UK Nuclear Waste Management Limited

Strategic report for the year ended 31 March 2014 (continued)

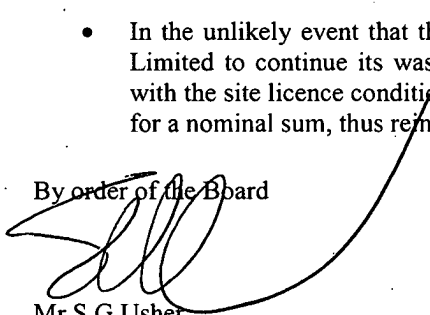
Principal risks and uncertainties

The principal risk faced by the Company was that the NDA did not extend the Parent Body and M&O agreements beyond March 2013. This risk has been eliminated through the successful renewal of the agreements through to March 2018.

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

- Financial performance 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 which is measured by a series of mechanisms, one of which is delivery of PBI's against which fee is earned. Risks associated with poor performance will continue to be adequately mitigated and successful delivery of PBI's during 2014/15 is expected to continue.
- Managing risk associated with the performance of legacy assets such as Repository drainage systems and the historical trench capping structure. Non-performance of these assets may result in additional funding being required from the NDA.
- Approval of the Environmental Safety Case (ESC) and Planning Permission associated with continuing disposal at the Repository remain a risk and area of uncertainty. A permit is required to secure authorisation for ongoing disposal of waste to the site. If the permit is not granted the existing site could only be used for temporary waste storage of waste arising after vault 9 is full. This could limit the operational activities of LLWR Limited in the future. During production of the ESC this risk has been mitigated by ensuring a close working relationship and robust engagement plan is in place with the Environment Agency. 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 the LLWR Limited for a nominal sum, thus reinforcing the NDA's responsibility for the underlying liabilities.

By order of the Board



Mr S G Usher
Old Shore Road
Drigg
Holmrook
Cumbria, UK
CA19 1XH
18 June 2014

UK Nuclear Waste Management Limited

Directors' report for the year ended 31 March 2014

The directors present their directors' report for the year ended 31 March 2014.

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. The directors have therefore, prepared the financial statements on a going concern basis.

Future developments

The initial 5-year term awarded by the NDA ended on 31 March 2013. A 5 year contract extension was awarded to the Company and to LLWR Limited during March 2013.

With successful completion of Year 1 of the second contract term, management attention at LLWR Limited is focussed on sustained delivery of contract objectives, namely:

1. Programme Management – LLWR Limited 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 across the Nuclear Estate.
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 Limited will deliver an optimised site development programme which will increase the disposal capacity of the site in addition to commencement of pre-closure works following approval of the ESC. This will result in significant 'inside the fence' cost savings. Further a security enhancement programme is due to be incorporated into the contract during 2014/15.
4. Historic Liabilities – LLWR Limited will continue to progress the decommissioning and demolition of the PCM facilities and commence capping of legacy disposal facilities.
5. Repository Operations – LLWR Limited will continue to operate the UK's only national Low Level Waste Disposal site in a safe and environmentally responsible manner, and continue the drive towards operational excellence through a sustained improvement programme.

The contract objectives outlined above will deliver LLWR Limited'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 historic liabilities at LLWR Limited.

Results and dividends

The profit after taxation amounted to £8,264,000 (2013: £2,406,000); the directors have recommended and paid dividends of £8,006,000 (2013: £2,546,000) to the shareholders of UK Nuclear Waste Management Limited during the year ended 31 March. Post balance sheet events are disclosed in note 18 of the financial statements.

Charitable donations

The Company has made charitable donations of £29,000 (2013: £36,000) during the year to local charities.

UK Nuclear Waste Management Limited

Directors' report for the year ended 31 March 2014 (continued)

Directors

The directors who held office during the year are given below:

D A Pethick (resigned December 2013)

J R Krellmann

S G Usher

D G Thompson

G McGill

P E A H de Montaignac de Chauvance (appointed April 2014)

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

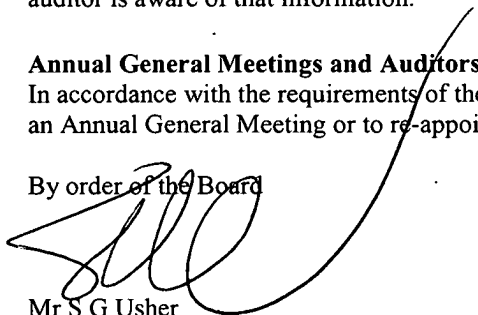
Directors' statement regarding information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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



Mr S G Usher
Old Shore Road
Drigg
Holmrook
Cumbria, UK
CA19 1XH
18 June 2014

UK Nuclear Waste Management Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK NUCLEAR WASTE MANAGEMENT LIMITED

We have audited the Directors' report and financial statements of UK Nuclear Waste Management for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 21. 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).

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 6, 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 and financial statements to identify material inconsistencies with the audited financial statements. 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

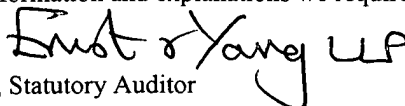
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Date 19 June 2014

UK Nuclear Waste Management Limited

Profit and loss account for the year ended 31 March 2014

	Note	2014 £'000	2013 £'000
Turnover	2	2,398	2,945
Cost of sales		(2,398)	(2,945)
Gross profit		-	-
Administrative expenses		(65)	(534)
Operating loss	3	(65)	(534)
Income from shares in associated companies	5	8,331	2,950
Interest receivable and similar income	6	30	30
Interest payable and similar charges	7	(30)	(30)
Profit on ordinary activities before taxation		8,266	2,416
Tax on profit on ordinary activities	8	(2)	(10)
Retained profit for the financial year	15	8,264	2,406

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.

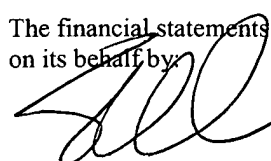
UK Nuclear Waste Management Limited

Balance sheet as at 31 March 2014

	Note	2014 £'000	2013 £'000
Fixed assets – investments			
Shares in associated companies	9	-	-
Loans to associated undertakings	10	1,500	-
		1,500	-
Current assets			
Debtors	11	204	1,796
Cash at bank and in hand	20	641	746
		845	2,542
Creditors: amounts falling due within one year	12	(677)	(2,632)
Net current assets/(liabilities)		168	(90)
Total assets less current liabilities		1,668	(90)
Creditors: amounts falling due in more than one year		(1,500)	-
Net assets/(liabilities)		168	(90)
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	168	(90)
Total shareholders' funds/(deficit)	16	168	(90)

Company Number : 6040606

The financial statements were approved by the board of directors on 18 June 2014 and were signed on its behalf by:



Mr S G Usher
Director

UK Nuclear Waste Management Limited

Cash flow statement for the year ended 31 March 2014

	Note	2014 £'000	2013 £'000
Net cash outflow from operating activities	20(a)	(425)	(306)
Returns on investments and servicing of finance			
Dividends received from associated Company		8,331	2,950
Interest received from associated Company		30	30
Interest paid		(30)	(30)
		8,331	2,950
Taxation		(5)	(6)
Equity dividends paid		(8,006)	(2,546)
Net cash (outflow)/inflow before management of liquid resources and financing		(105)	92
Net (outflow)/inflow in cash and cash equivalents		(105)	92

	Note	2014 £'000	2013 £'000
Reconciliation of net debt to cash flow	20(b)		
Net (decrease)/ increase in cash and cash equivalents in the year		(105)	92
Movement in borrowings		-	-
Change in net debt resulting from cash flows		(105)	92
Net debt at 1 April		(754)	(846)
Net debt at 31 March		(859)	(754)

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014

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

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

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 5.

Consolidation

In accordance with s405(3)(a) of Companies Act 2006 the Company has concluded that it should exclude its only legal subsidiary undertaking from consolidation and hence the financial statements present information about the Company as an individual undertaking and not about its group.

As a result of excluding its only legal subsidiary from consolidation, the investment has been treated as an associated undertaking.

Investments in associated undertakings

Investments in associates are accounted for at the lower of cost or net realisable value and the carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Income from shares is recognised when dividends are declared by associated undertakings.

Turnover

Turnover is the amount derived from the Company's activity as a Parent Body Organisation which manages and operates Parent Body Agreement on behalf of the NDA, excluding Value Added Tax. Turnover is recognised when the service is provided.

Contract renewal costs

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

Foreign currency

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Exchange differences are taken to the profit and loss account when they arise.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

1. Accounting policies (continued)

Taxation (continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse; based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

All the turnover of the Company relates to activities in the United Kingdom.

3. Operating loss

The operating loss is stated after charging:

	2014 £'000	2013 £'000
Fees for the audit of the Company	10	10

Fees paid to the auditors for taxations services were £4,000 (2013: £4,000) and other non audit services were £1,000(2013: £1,000)

4. Information regarding directors

The directors received no emoluments from the Company for their services (2013 – £nil.) The Company has no employees (2013 – nil).

5. Income from shares in associated companies

	2014 £'000	2013 £'000
Dividend income from associated companies	8,331	2,950

6. Interest receivable and similar income

	2014 £'000	2013 £'000
Interest receivable on loans to associated companies	30	30

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

7. Interest payable and similar charges

	2014 £'000	2013 £'000
Interest payable on loans from group companies	22	23
Interest payable on loans from related party companies	8	7
	30	30

8. Tax on profit on ordinary activities

	2014 £'000	2013 £'000
United Kingdom corporation tax at 23% (2013: 24%) based on the profit for the year	2	10

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	8,266	2,416
Tax on profit on ordinary activities at standard UK corporation tax rate of 23% (2013: 24%)	1,901	580
Effects of:		
UK dividends (exempt income)	(1,916)	(708)
Transfer pricing adjustment	17	138
Current tax charge for the year	2	10

The UK corporation tax rate reduced from 24% to 23% with effect from 1 April 2013. A further reduction in the corporation tax rate from 23% to 21% was substantially enacted on 2 July 2013 and will be effective from 1 April 2014.

A further 1% reduction in the corporation tax rate from 21% to 20% was also substantially enacted on 2 July 2013 and will be effective from 1 April 2015.

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

9. Shares in associated companies

	2014 £	2013 £
Investment at cost and net book value	2	2

The investment of UK Nuclear Waste Management Limited as at 31 March 2014 and at 31 March 2013 is as follows:

	Country of incorporation	Percentage of Ordinary shares held by the Company
Company:		
LLW Repository Limited	England & Wales	100%

Activities:

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 FRS 2, as the Company has no other legal subsidiary undertakings, the Company has further concluded that it should not prepare consolidated financial statements.

10. Loans to associated companies

	£'000
At 1 April 2013	-
Reclassifications in the year	1,500
At 31 March 2014	1,500

The loan comprises amounts receivable from LLW Repository Limited. At the previous year end, the loan was disclosed within Debtors (note 11) as the balance was due to be repaid on 31 March 2013. The loan was renewed on the same terms with effect from 1 April 2013, repayable on 31 March 2018 and has therefore been reclassified into fixed assets during the year. 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 2014 (continued)

11. Debtors

	2014 £'000	2013 £'000
Prepaid expenses	3	3
Amounts owed by associated undertakings	201	1,790
Other tax and social security	-	3
	204	1,796

12. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Trade creditors	6	-
Amounts owed to group undertakings	529	1,894
Amounts owed to related party undertakings	101	476
Corporation tax	2	5
Accruals	32	257
Other tax and social security	7	-
	677	2,632

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

13. Creditors: amounts falling due in more than one year

	2014 £'000	2013 £'000
Amounts owed to group undertakings	1,125	-
Amounts owed to related party undertakings	375	-
	1,500	-

"Amounts owed to group undertakings" and "Amounts owed to related party undertakings" include loans received from URS International Holdings (UK) Limited of £1,125,000 (2013: £1,125,000), Studsvik UK Limited £225,000 (2013: £225,000) and Areva NC of £150,000 (2013: £150,000). Interest on all loans is charged at a rate of 1.5% above LIBOR on an annual basis. At the previous year end, the loans were repayable on 31 March 2014 and were therefore disclosed within "Creditors: amounts falling due within one year". These loans were renewed on the same terms with effect from 1 April 2014, repayable 31 March 2018.

14. Called up share capital

	2014 £	2013 £
Called up and allotted and fully paid:		
100 ordinary shares of £1 each	100	100

15. Reserves

	Profit and loss account £'000
At 1 April 2013	(90)
Profit for the year	8,264
Dividends	(8,006)
At 31 March 2014	168

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

16. Reconciliation of shareholders' funds/ (deficit)

	2014 £'000	2013 £'000
Opening shareholders' (deficit)/ funds	(90)	50
Profit for the financial year	8,264	2,406
Dividends	(8,006)	(2,546)
Closing shareholders' funds/ (deficit)	168	(90)

17. Financial commitments

At 31 March 2014 and 31 March 2013, the Company has no capital commitments or operating lease commitments.

18. Events after the balance sheet date

On 30 April 2014, the Company received a dividend of £1,359,000 from LLW Repository Limited.
On 8 May 2014, the Company declared a dividend of £1,225,000.

On 28 May 2014, the Company received a dividend of £1,700,000 from LLW Repository Limited.
On 29 May 2014, the Company declared a dividend of £1,700,000.

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

19. Related party transactions

At 31 March 2014, the Company identified the following companies as related parties:

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

Associated undertaking

Included within Note 10 as 'Loans to associated companies' is a balance of £1,500,000 (2013:£1,500,000) on a loan to LLW Repository Limited. Interest on this loan is charged at 1.5% above LIBOR per annum, payable on a quarterly basis. Interest receivable amounted to £30,000 for the financial year (2013:£30,000). At the balance sheet date, interest of £7,000 (2013: £7,000) was due and disclosed within Note 11 as 'Amounts owed by associated undertakings.'

Also included in Note 11 as 'Amounts owed by associated undertakings' is a balance of £194,000 (2013: £283,000) receivable from LLW Repository Limited in respect of services provided by the Company. The total value of services provided in the financial year was £2,398,000 (2013: £2,945,000).

Related party and group undertakings

Note 12, 'Creditors: amounts falling due within one year' and note 13 'Creditors: amounts falling due in more than one year' include £2,130,000 (2013: £2,370,000); this comprises amounts payable to related party and group undertakings of £476,000 (2013: £476,000) and £1,654,000 (2013: £1,894,000), respectively.

The amounts payable to related party and group undertakings comprise amounts outstanding in respect of, trade services of £623,000 (2013: £863,000), loans of £1,500,000 (2013: £1,500,000) and interest payable of £7,000 (2013: £7,000).

Loans were repayable on 31 March 2013; they were renewed on the same terms, on 1 April 2013, repayable 31 March 2018. 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 2014 (continued)

19. Related party transactions (continued)

Trade Services

Included in Note 12, 'Creditors; amounts falling due within one year', is a balance of £623,000 (2013: £863,000) relating to services provided to the Company. This balance outstanding and the value of services provided in the financial year are split between the Company's related parties as shown 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>
March 2014					
Services Provided (£)	513,000	-	513,000	1,861,000	2,374,000
Trade Payables (£)	99,000	-	99,000	524,000	623,000
March 2013					
Services Provided (£)	539,000	7,000	546,000	2,318,000	2,864,000
Trade Payables (£)	99,000	-	99,000	764,000	863,000

Loans

Included within Note 13, 'Creditors: amounts falling due in more than one year', is a balance of £1,500,000 (2013: £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>
March 2014					
Loan Outstanding (£)	225,000	150,000	375,000	1,125,000	1,500,000
March 2013					
Loan Outstanding (£)	225,000	150,000	375,000	1,125,000	1,500,000

Interest payable

Included within Note 12, 'Creditors; amounts falling due within one year', is a balance outstanding of £7,000 (2013: £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 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>
March 2014					
Interest Accrued (£)	5,000	3,000	8,000	22,000	30,000
Interest Paid (£)	5,000	3,000	8,000	22,000	30,000
Interest Payable (£)	1,000	1,000	2,000	5,000	7,000
March 2013					
Interest Accrued (£)	5,000	3,000	8,000	22,000	30,000
Interest Paid (£)	4,000	3,000	7,000	23,000	30,000
Interest Payable (£)	2,000	-	2,000	5,000	7,000

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2014 (continued)

20. Cash flow statement notes

a) Reconciliation of operating loss to cash flow from operating activities

	2014 £'000	2013 £'000
Operating loss	(65)	(534)
Decrease in debtors	89	187
(Decrease)/increase in creditors	(449)	41
Net cash outflow from operating activities	(425)	(306)

b) Reconciliation of net debt

	1 April 2013 £'000	Cash flow £'000	31 March 2014 £'000
Cash at bank and in hand	746	(105)	641
Amounts owed to group and related party undertakings (Notes 12 and 13)	(1,500)	-	(1,500)
	(754)	(105)	(859)

21. Ultimate parent Company and controlling party

The immediate parent Company of UK Nuclear Waste Management Limited is URS International Holdings (UK) Limited.

The parent Company of both the smallest and the largest group which includes the Company and for which group financial statements are prepared is URS Corporation, which is registered in the United States of America and is deemed by the directors to be the Company's controlling party. Copies of the financial statements are available from Corporate Office, 600 Montgomery Street, 26th Floor, San Francisco, California 94111-2728.