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Registered Number 6040606

UK Nuclear Waste Management Limited

Annual report for the year ended 31 March 2015

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UK Nuclear Waste Management Limited

Annual report for the year ended 31 March 2015

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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

LLW 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 2015

The directors present their Strategic report for the year ended 31 March 2015.

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") for a minimum of a five year period commencing 1 April 2008 ("the M&O agreement"), extended to 31 March 2018 in 2013. 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, 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 year LLWR Limited generated £17,312,000 gross revenues (2014: £16,611,000) 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.

UK NWM Limited has an obligation under the M&O contract to fund a £1,500,000 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. 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 Environment Agency completed its first consultation on LLWR's permit application in February 2014. Since that time the Environment Agency has been documenting its review of the ESC and producing a decision document and draft permit. The Environment Agency intends to go out to consultation on their draft decision at the end of May 2015. A final decision on LLWR's permit application is anticipated in autumn 2015.

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 2015, the Company achieved sales of £1,859,000 (2014: £2,398,000) on its reimbursable cost base of £1,859,000 (2013: £2,398,000). Dividend income was £5,469,000 (2014: £8,331,000). The Company's own administrative costs totalled £63,000 (2014: £65,000). Profit before tax decreased from £8,266,000 in 2014 to £5,406,000. 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 2015 (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 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 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 FY2016 is expected to continue.
- One of the key challenges for LLWR is to satisfy nuclear industry regulators by ensuring appropriate funding allocations to key risk mitigation projects. The required increase in available funding from government to enable LLWR to fully address all regulatory drivers has not materialised for the 2016 fiscal year and funding is expected to remain static during 2017 and 2018. Risk mitigation projects that address these regulatory drivers 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 is committed to ensuring these risks are actively managed through continuing discussion with regulators and the NDA. In addition LLWR is also dealing with legacy wastes on the Site for which the provenance data is just being assessed. Complications in dealing with legacy assets or wastes may result in additional funding being required from the NDA.
- The risk of incorrect acceptance of waste for disposal or treatment due 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 the Environmental Safety Case (ESC) and Planning Permission associated with ongoing disposal of waste at the Repository remain a risk and area of uncertainty. The current permit in relation to part of Vault 8 and to Vault 9 allows for storage of waste only and an update to this permit is required to secure authorisation for further disposal of waste to the site. If the updated permit is not granted the existing site could only accept further waste for temporary storage rather than for disposal. This could limit the operational activities of LLWR 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 LLWR Limited for a nominal sum, thus reinforcing the NDA's responsibility for the underlying liabilities.

By order of the Board



Mr R C Bonner
23 June 2015

UK Nuclear Waste Management Limited

Directors' report for the year ended 31 March 2015

The directors present their directors' report for the year ended 31 March 2015.

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

With successful completion of Years 1 and 2 of the second contract term, management attention at LLWR Limited continues to be 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.
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.
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.

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.

During FY2016 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 inform a decision to be made in quarter 4 of FY2016 regarding NDA's further extension of the contract for a third 5 year term.

Results and dividends

The profit after taxation amounted to £5,405,000 (2014: £8,264,000); the directors have recommended and paid dividends of £5,301,000 (2014: £8,006,000) 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 £26,000 (2014: £29,000) during the year to local charities.

UK Nuclear Waste Management Limited

Directors' report for the year ended 31 March 2015 (continued)

Directors

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

R C Bonner (appointed 18/06/2014)

P E A H de Montaignac de Chauvance (appointed 03/04/2014)

J R Krellmann (resigned 03/04/2014)

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 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 R C Bonner
23 June 2015

UK Nuclear Waste Management Limited

INDEPENDENT AUDITOR'S REPORT

We have audited the Directors' report and financial statements of UK Nuclear Waste Management for the year ended 31 March 2015 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 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 2015 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
23 June 2015

UK Nuclear Waste Management Limited

Profit and loss account for the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Turnover	2	1,859	2,398
Cost of sales		(1,859)	(2,398)
Gross profit		-	-
Administrative expenses		(63)	(65)
Operating loss	3	(63)	(65)
Income from shares in associated companies	5	5,469	8,331
Interest receivable and similar income	6	30	30
Interest payable and similar charges	7	(30)	(30)
Profit on ordinary activities before taxation		5,406	8,266
Tax on profit on ordinary activities	8	(1)	(2)
Retained profit for the financial year	15	5,405	8,264

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 2015

	Note	2015 £'000	2014 £'000
Fixed assets – investments			
Shares in associated companies	9	-	-
Loans to associated undertakings	10	1,500	1,500
		1,500	1,500
Current assets			
Debtors	11	239	204
Cash at bank and in hand	20	321	641
		560	845
Creditors: amounts falling due within one year	12	(288)	(677)
Net current assets		272	168
Total assets less current liabilities		1,772	1,668
Creditors: amounts falling due in more than one year	13	(1,500)	(1,500)
Net assets		272	168
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	272	168
Total shareholders' funds	16	272	168

Company Number: 6040606

The financial statements were approved by the board of directors on 23 June 2015 and were signed on its behalf by:



Mr R C Bonner
Director

UK Nuclear Waste Management Limited

Cash flow statement for the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Net cash outflow from operating activities	20(a)	(487)	(425)
Returns on investments and servicing of finance			
Dividends received from associated Company		5,469	8,331
Interest received from associated Company		30	30
Interest paid		(30)	(30)
		5,469	8,331
Taxation		(1)	(5)
Equity dividends paid		(5,301)	(8,006)
Net cash outflow before management of liquid resources and financing		(320)	(105)
Net outflow in cash and cash equivalents		(320)	(105)

	Note	2015 £'000	2014 £'000
Reconciliation of net debt to cash flow	20(b)		
Net decrease in cash and cash equivalents in the year		(320)	(105)
Movement in borrowings		-	-
Change in net debt resulting from cash flows		(320)	(105)
Net debt at 1 April		(859)	(754)
Net debt at 31 March		(1,179)	(859)

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2015

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 2015 (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:

	2015 £'000	2014 £'000
Fees for the audit of the Company	10	10

Fees paid to the auditors for taxations services were £4,000 (2014: £4,000) and other non-audit services were £1,000 (2014: £1,000).

4. Information regarding directors

The directors received no emoluments from the Company for their services (2014 - nil.) The Company has no employees (2014 - nil).

5. Income from shares in associated companies

	2015 £'000	2014 £'000
Dividend income from associated companies	5,469	8,331

6. Interest receivable and similar income

	2015 £'000	2014 £'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 2015 (continued)

7. Interest payable and similar charges

	2015 £'000	2014 £'000
Interest payable on loans from group companies	22	22
Interest payable on loans from related party companies	8	8
	30	30

8. Tax on profit on ordinary activities

	2015 £'000	2014 £'000
United Kingdom corporation tax at 21% (2014: 23%) based on the profit for the year	1	2

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	5,406	8,266
Tax on profit on ordinary activities at standard UK corporation Tax rate of 21% (2014: 23%)	1,135	1,901
Effects of:		
UK dividends (exempt income)	(1,148)	(1,916)
Disallowable expenses	(1)	-
Transfer pricing adjustment	15	17
Current tax charge for the year	1	2

The UK corporation tax rate reduced from 23% to 21% with effect from 1 April 2014. A further reduction in the corporation tax rate from 21% to 20% was 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 2015 (continued)

9. Shares in associated companies

	2015 £	2014 £
Investment at cost and net book value	2	2

The investment of UK Nuclear Waste Management Limited as at 31 March 2015 and at 31 March 2014 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

	2015 £'000	2014 £'000
Loan to associated undertaking	1,500	1,500

The loan comprises amounts receivable from LLW Repository Limited. The loan is repayable on 31 March 2018. 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 2015 (continued)

11. Debtors

	2015 £'000	2014 £'000
Prepaid expenses	3	3
Amounts owed by associated undertakings	225	201
Corporation tax	9	-
Other tax and social security	2	-
	239	204

12. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	4	6
Amounts owed to group undertakings	187	529
Amounts owed to related party undertakings	77	101
Corporation tax	-	2
Accruals	20	32
Other tax and social security	-	7
	288	677

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

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

	2015 £'000	2014 £'000
Amounts owed to group undertakings	1,125	1,125
Amounts owed to related party undertakings	375	375
	1,500	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 (2014: £1,125,000), Studsvik UK Limited £225,000 (2014: £225,000) and Areva NC of £150,000 (2014: £150,000). Interest on all loans is charged at a rate of 1.5% above LIBOR on an annual basis. These loans are repayable 31 March 2018.

14. Called up share capital

	2015 £	2014 £
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 2014	168
Profit for the year	5,405
Dividends	(5,301)
At 31 March 2015	272

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

16. Reconciliation of shareholders' funds / (deficit)

	2015 £'000	2014 £'000
Opening shareholders' funds / (deficit)	168	(90)
Profit for the financial year	5,405	8,264
Dividends	(5,301)	(8,006)
Closing shareholders' funds	272	168

17. Financial commitments

At 31 March 2015 and 31 March 2014, the Company has no capital commitments or operating lease commitments.

18. Events after the balance sheet date

On 6 May 2015, the Company received a dividend of £3,102,000 from LLW Repository Limited. On 12 May 2015, the Company declared a dividend of £3,102,000.

On 5 June 2015, the Company received a dividend of £618,000 from LLW Repository Limited. On 8 June 2015, the Company declared a dividend of £550,000.

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

19. Related party transactions

At 31 March 2015, 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
AECOM 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 (2014: £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 (2014: £30,000). At the balance sheet date, interest of £7,000 (2014: £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 £218,000 (2014: £194,000) receivable from LLW Repository Limited in respect of services provided by the Company. The total value of services provided in the financial year was £1,859,000 (2014: £2,398,000).

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 £1,764,000 (2014: £2,130,000); this comprises amounts payable to related party and group undertakings of £452,000 (2014: £476,000) and £1,312,000 (2014: £1,654,000), respectively.

The amounts payable to related party and group undertakings comprise amounts outstanding in respect of, trade services of £257,000 (2014: £623,000), loans of £1,500,000 (2013: £1,500,000) and interest payable of £7,000 (2013: £7,000).

The 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 2015 (continued)

19. Related party transactions (continued)

Trade Services

Included in Note 12, 'Creditors; amounts falling due within one year', is a balance of £257,000 (2014: £623,000) 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 2015					
Services Provided (£)	375,000	-	375,000	1,481,000	1,856,000
Trade Payables (£)	75,000	-	75,000	182,000	257,000
March 2014					
Services Provided (£)	513,000	-	513,000	1,861,000	2,374,000
Trade Payables (£)	99,000	-	99,000	524,000	623,000

Loans

Included within Note 13, 'Creditors: amounts falling due in more than one year', is a balance of £1,500,000 (2014: £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 2015					
Loan Outstanding (£)	225,000	150,000	375,000	1,125,000	1,500,000
March 2014					
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 (2014: £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 2015					
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
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

UK Nuclear Waste Management Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

20. Cash flow statement notes

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

	2015 £'000	2014 £'000
Operating loss	(63)	(65)
(Increase) / decrease in debtors	(35)	89
Decrease in creditors	(389)	(449)
Net cash outflow from operating activities	(487)	(425)

b) Reconciliation of net debt

	1 April 2014 £'000	Cash flow £'000	31 March 2015 £'000
Cash at bank and in hand	641	(320)	321
Amounts owed to group and related party undertakings (Note 13)	(1,500)	-	(1,500)
	(859)	(320)	(1,179)

21. Ultimate parent Company and controlling party

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

As at 17 October 2014, the parent undertaking 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 state of Delaware in the United States of America and is regarded by the Directors as the company's ultimate parent undertaking. Copies of the financial statements of URS Corporation are available from Corporate Office, 600 Montgomery Street, 26th Floor, San Francisco, California 94111-2728, USA.

Immediately following close of business on 17 October 2014, URS Corporation was acquired by AECOM Technology Corporation, a company registered and incorporated in the United States of America. Copies of the financial statement for AECOM Technology Corporation are available from its registered office 1999 Avenue of the Stars, Suite 2600, Los Angeles, CA 90067, USA.