

Realpower Limited

Annual report and financial statements
for the year ended 31 March 2008

Registered number 4727708

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Realpower Limited

Annual report and financial statements for the year ended 31 March 2008

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Realpower Limited

Company information

Directors

MT Shearstone
PR Needham
TB Breen
T Davy
MT Tracey

Secretary

SA Darke

Registered office

Enviro Building
Private Road No 4
Colwick Industrial Estate
Nottingham
NG4 2JT

Independent auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Solicitors

HBJ Gateley Wareing LLP
One Eleven
Edmund Street
Birmingham
B3 2HJ

Bankers

HSBC Bank plc
1 St Peters Street
Derby
DE1 2AE

Realpower Limited

Directors' report for the year ended 31 March 2008

The directors present their annual report, together with the audited financial statements of the company for the year ended 31 March 2008

Principal activity

The company's principal activity during the year was that of a holding company

Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who remain confident that the current level of performance will be maintained in the foreseeable future despite an external commercial environment which is expected to remain competitive in 2008/09

Principal risks and uncertainties

The principal uncertainty affecting the business is the level of buoyancy in the construction sector

Key Performance Indicators

The directors of DCC plc manage the group's operation on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary for an understanding of the development, performance or position of Realpower Limited

Results and dividends

The trading profit for the year, after taxation, amounted to £286,949 (15 months ended 31 March 2007 £60,875). No dividends were paid during the year (15 months ended 31 March 2007 £70,000). No dividends were proposed at the year end (2007 £nil)

Directors

The directors, all of whom served throughout the year, were

MT Shearstone
PR Needham
TB Breen
T Davy
MT Tracey

Realpower Limited

Directors' report for the year ended 31 March 2008 (continued)

Statement of directors' responsibilities

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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable 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, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper 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 1985. 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.

Statement of disclosure of information to auditors

In the case of each of the persons who are directors at the time when the report is approved under section 234ZA the following applies:

- (a) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) He has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

Approved by the Board of Directors and signed on behalf of the Board



SA Darke
Secretary
2 May 2008

Independent auditors' report to the members of Realpower Limited

We have audited the financial statements of Realpower Limited for the year ended 31 March 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

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

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

Basis of audit opinion

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

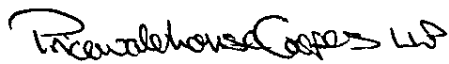
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Independent auditors' report to the members of Realpower Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

2 MAY 2008 .

Realpower Limited

Profit and loss account for the year ended 31 March 2008

	Notes	Year ended 31 March 2008 £	15 months ended 31 March 2007 £
Administrative expenses		(249,409)	(516,049)
Other operating income		627,200	647,560
Operating profit		377,791	131,511
Interest receivable and similar income	5	-	6
Interest payable and similar charges	6	(1,512)	(8,642)
Profit on ordinary activities before taxation	2	376,279	122,875
Tax charge on profit on ordinary activities	7	(89,330)	(62,000)
Profit on ordinary activities after taxation	16	286,949	60,875

All of the company's activities related to continuing operations during the current year and previous period. The company has no recognised gains or losses other than the profit stated above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

The notes on pages 8 to 18 form part of these financial statements.

Realpower Limited

Balance sheet as at 31 March 2008

	Notes	31 March 2008 £	31 March 2007 £
Fixed assets			
Tangible assets	8	1,734,974	501,965
Investments	9	1,663,715	1,663,715
		3,398,689	2,165,680
Current assets			
Debtors	10	200,371	80,688
Cash at bank and in hand		21,189	10,315
		221,560	91,003
Creditors: amounts falling due within one year	11	(169,099)	(133,550)
Net current assets / (liabilities)		52,461	(42,547)
Total assets less current liabilities		3,451,150	2,123,133
Creditors: amounts falling due after more than one year	12	(1,277,615)	(241,547)
Provisions for liabilities	13	(5,000)	-
Net assets		2,168,535	1,881,586
Capital and reserves			
Called-up share capital	14	206,233	206,233
Share premium account	15	1,078,647	1,078,647
Profit and loss reserve	15	883,655	596,706
Total shareholders' funds	16	2,168,535	1,881,586

The financial statements were approved by the Board of Directors on 2 May 2008 and were signed on its behalf by



PR Needham
Director
2 May 2008

The notes on pages 8 to 18 form part of these financial statements

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements

Accounting convention

The financial statements are prepared on the going concern basis, under historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. Where a choice of treatment is available the directors apply the most appropriate accounting policy and estimation technique in accordance with Financial Reporting Standard 18.

Depreciation

Depreciation is provided on all tangible fixed assets at the following annual rates to write off the cost less estimated residual value, of each asset over its expected useful life as follows:

Land and buildings leasehold	5% straight line
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Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Pensions

Contributions in respect of the company's defined contribution scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

Taxation including deferred tax

The charge for taxation is based on the profits for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided on all timing differences in accordance with FRS 19. Deferred tax assets are recognised to the extent that they are recoverable. Deferred tax assets and liabilities are not discounted.

Group accounts

The financial statements contain information about Realpower Limited as an individual company and do not contain consolidated financial information. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, DCC plc, a company incorporated in the Republic of Ireland.

Cash flow statement

A cash flow statement is not included in these accounts because the company is a subsidiary undertaking of DCC plc which has prepared a consolidated cash flow statement, including the cash flows of the company, in its 2008 accounts in accordance with Financial Reporting Standard No 1 (Revised 1996).

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

2 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging/(crediting) the following

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Auditors' remuneration	3,000	2,400
Depreciation of owned tangible assets	23,316	29,145
Management charges	(600,800)	(612,250)
Rents receivable	(26,400)	(35,310)

No other services were provided to the company by the auditors during the year (15 months ended 31 March 2007, £nil)

3 Directors' emoluments

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Aggregate emoluments	113,504	205,948
Pension costs	85,680	172,500
	199,184	378,448

Retirement benefits are accruing to two (2007 two) directors under a defined contribution scheme. The remaining three directors were appointed by DCC plc on their acquisition of the company and received no remuneration from the company during the year.

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

3 Directors' emoluments (continued)

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Highest paid director		
Aggregate emoluments	99,539	94,678
Pension costs	9,000	111,250
	108,539	205,928

4 Staff costs

The aggregate payroll costs including directors' emoluments were as follows

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Wages and salaries	103,355	206,045
Social security costs	11,224	23,925
Other pension costs	85,680	172,500
	200,259	402,470

There was one employee during the year apart from the directors (15 months ended 31 March 2007 two)

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

5 Interest receivable and similar income

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Bank interest receivable	-	6
	-	6

6 Interest payable and other similar charges

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Bank loan interest payable	1,512	8,642

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

7 Tax charge on profit on ordinary activities

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Current tax		
UK Corporation tax	82,884	65,000
Adjustment for prior periods	(1,554)	-
Current tax charge	81,330	65,000
Deferred taxation		
Deferred tax charge/ (credit) current year/ period	8,000	(1,137)
Adjustment for prior periods	-	(1,863)
Deferred tax charge / (credit)	8,000	(3,000)
Tax on profit on ordinary activities	89,330	62,000

Factors affecting the tax charge for the year

The tax assessed for the year is lower (15 months ended 31 March 2007 higher) than the standard rate of corporation tax in the UK (30%) The differences are explained below

	Year ended 31 March 2008	15 months ended 31 March 2007
	£	£
Profit on ordinary activities before taxation	376,279	122,875
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2007 30%)	112,884	36,863
Effects of		
Expenses not deductible for tax purposes	(22,000)	27,000
Accelerated capital allowances & other timing differences	(8,000)	1,137
Adjustments for previous periods	(1,554)	-
Current tax charge	81,330	65,000

Factors affecting future tax charges

From 1 April 2008, the rate of corporation tax was reduced from 30% to 28% This will reduce the tax charge going forward

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

8 Tangible assets

	Land & buildings leasehold
	£
Cost	
At 1 April 2007	691,565
Additions	1,256,325
At 31 March 2008	1,947,890
Depreciation	
At 1 April 2007	189,600
Charge for the year	23,316
At 31 March 2008	212,916
Net book value	
At 31 March 2008	1,734,974
At 31 March 2007	501,965

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

9 Fixed asset investments

	Shares in group undertakings
	£
Cost	
At 1 April 2007 and 31 March 2008	1,663,715

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Company			Shares held	
Subsidiary undertaking	Principle activity	Country of registration or incorporation	Class	%
Wastecycle Limited	Waste collection and recycling	England & Wales	Ordinary	100
UK Recycling Limited	Dormant	England & Wales	Ordinary	100
UK Materials Limited	Dormant	England & Wales	Ordinary	100

10 Debtors

	31 March 2008	31 March 2007
	£	£
Amounts owed by subsidiary undertakings	145,500	70,500
VAT recoverable	52,041	4,461
Deferred tax asset (see note 13)	-	3,000
Other debtors	2,830	2,727
	200,371	80,688

Amounts owed by group undertakings are unsecured, interest free, have no fixed dated of repayment and repayable on demand

The company has provided a deferred tax asset of £nil in respect of accelerated capital allowances (2007 £3,000) The company has no unprovided deferred tax assets or liabilities

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

11 Creditors: amounts falling due within one year

	31 March 2008	31 March 2007
	£	£
Bank loans and overdrafts	-	28,089
Trade creditors	9,594	1,773
Corporation tax	82,884	65,000
Other taxes and social security costs	8,288	9,986
Accruals and deferred income	68,333	28,702
	169,099	133,550

12 Creditors: amounts falling due after more than one year

	31 March 2008	31 March 2007
	£	£
Bank loans (all repayable within five years by instalments)	-	65,540
Amounts due to subsidiary undertakings	1,277,615	176,007
	1,277,615	241,547

Amounts due to group undertakings are unsecured, interest free and repayable on demand

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

13 Provisions for liabilities and charges

	Deferred taxation
	£
At 1 April 2007	(3,000)
Profit and loss account (note 7)	8,000
At 31 March 2008	5,000

Deferred taxation provided in the financial statements is as follows

	31 March 2008	31 March 2007
	£	£
Accelerated capital allowances	5,000	-

The company has no unprovided deferred tax assets or liabilities

14 Called up share capital

	31 March 2008	31 March 2007
	£	£
Authorised		
206,233 ordinary shares of £1 each	206,233	206,233
Allotted, called up and fully paid		
206,233 ordinary shares of £1 each	206,233	206,233

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

15 Reserves

	Share premium account	Profit & loss reserve
	£	£
At 1 April 2007	1,078,647	596,706
Profit for the year	-	286,949
At 31 March 2008	1,078,647	883,655

During the year no dividends (15 months ended 31 March 2007 £70,000 (33 9p per ordinary share)) were paid. At the year end no dividends (2007 £nil) were proposed.

16 Reconciliation of movement in total shareholders' funds

	31 March 2008	31 March 2007
	£	£
Profit for the financial year/ period	286,949	60,875
Dividends paid	-	(70,000)
Issue of new share capital	-	33,128
Opening shareholders' funds	1,881,586	1,857,583
Closing shareholders' funds	2,168,535	1,881,586

17 Capital commitments

At 31 March 2008 the company had capital commitments as follows

	31 March 2008	31 March 2007
	£	£
Contracted for but not provided for in the financial statements	1,119,784	-

On 31 March 2008 the company gave 3 months notice of its intention to exercise an option to purchase land (see note 20)

Realpower Limited

Notes to the financial statements for the year ended 31 March 2008 (continued)

18 Contingent liabilities

The company has guaranteed the bank borrowings of its subsidiary company. At 31 March 2008 the contingent liability in respect of those guarantees amounted to £nil (2007 £nil)

19 Parent and ultimate controlling party

At 31 March 2008 the company's immediate parent company was DCC Environmental UK Limited, a company incorporated in Great Britain

The directors regard DCC plc, a company registered in Ireland as the ultimate parent company. Copies of the ultimate parent company's consolidated financial statements may be obtained from The Secretary, DCC plc, DCC House, Stillorgan, Blackrock, Co Dublin, Ireland. Transactions within this group of companies are not disclosed in accordance with the exemption given in Financial Reporting Standard No 8 – Related Party Transactions

20 Related party transactions

The company is related to Wastecycle Limited, UK Materials Limited and UK Recycling Limited by virtue of them being subsidiary undertakings

During the year the company received management charges of £600,800 (15 months ended 31 March 2007 £612,250), rent of £26,400 (15 months ended 31 March 2007 £33,000) and recharges of other costs of £nil (15 months ended 31 March 2007 £2,310) from Wastecycle Limited. At the year end the company had balances with Wastecycle Limited of £145,500 (2007 £70,500) debtor and £1,277,615 (2007 £176,007) creditor

On 31 March 2008 the company gave 3 months notice of its intention to exercise an option to purchase land owned by Icepower Limited SSAS, a pension scheme of which directors MT Shearstone & PR Needham are trustees