

Realpower Limited

Annual report and financial statements
for the year ended 31 March 2010

Registered number 4727708

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Realpower Limited

Annual report and financial statements for the year ended 31 March 2010

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Realpower Limited

Company information

Directors

PR Needham
TB Breen
T Davy
MT Tracey

Company secretary

SA Darke

Registered office

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

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Solicitors

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

Bankers

National Westminster Bank plc
Bradford City Centre Branch
7 Hustlergate
Bradford
West Yorkshire
BD1 1PP

Realpower Limited

Directors' report for the year ended 31 March 2010

The directors present their annual report, together with the audited financial statements of the company for the year ended 31 March 2010

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

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 2009/10

Principal risks and uncertainties

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

Results and dividends

The trading profit for the year, after taxation, amounted to £322,025 (2009 £215,671) No dividends were paid during the year (2009 £nil) No dividends were proposed at the year end (2009 £nil)

Directors

The directors who served the company during the year and up to the date of signing the financial statements were

MT Shearstone	(Resigned 30 June 2009)
PR Needham	
TB Breen	
T Davy	
MT Tracey	

Company secretary

SA Darke

Realpower Limited

Directors' report for the year ended 31 March 2010 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 of 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 judgements 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

Realpower Limited

Directors' report for the year ended 31 March 2010 (continued)

Independent auditors

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

On behalf of the Board



SA Darke
Company Secretary
14 May 2010

Independent auditors' report to the members of Realpower Limited

We have audited the financial statements of Realpower Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3 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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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.

Opinion on 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 2010 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

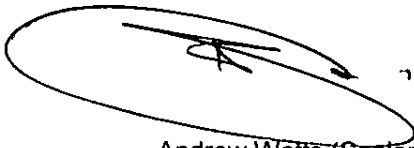
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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, or
- the directors were not entitled to prepare the directors' report in accordance with the small company regime



Andrew Watts (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
14 May 2010

Realpower Limited

Profit and loss account for the financial year ended 31 March 2010

	Notes	2010 £	2009 £
Administrative expenses		(282,207)	(331,899)
Other operating income		778,901	687,987
Operating profit		496,694	356,088
Interest receivable and similar income	5	-	74
Interest payable and similar charges	6	(40,942)	(39,408)
Profit on ordinary activities before taxation	2	455,752	316,754
Tax on profit on ordinary activities	7	(133,727)	(101,083)
Profit for the financial year	14	322,025	215,671

All of the company's activities related to continuing operations during the current year and previous year

The company has no recognised gains or losses other than the profit for the financial year stated above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit for the financial year as disclosed in the profit and loss account and the profit on an unmodified historical cost basis

Registered Number 4727708

Realpower Limited

Balance sheet as at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	8	3,707,189	3,789,140
Investments	9	1,663,715	1,663,715
		5,370,904	5,452,855
Current assets			
Debtors	10	30,366	13,797
Cash at bank and in hand		130,915	44,019
		161,281	57,816
Creditors: amounts falling due within one year	11	(2,825,954)	(3,126,465)
Net current liabilities		(2,664,673)	(3,068,849)
Total assets less current liabilities		2,706,231	2,384,206
Net assets		2,706,231	2,384,206
Capital and reserves			
Called-up share capital	12	206,233	206,233
Share premium account	14	1,078,647	1,078,647
Profit and loss account	14	1,421,351	1,099,326
Total shareholders' funds	15	2,706,231	2,384,206

The financial statements on pages 7 to 18 were approved by the Board of Directors on 14 May 2010 and were signed on its behalf by



PR Needham
Director

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010

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 2006 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 number 18 – Accounting policies

Tangible fixed assets and depreciation

All fixed assets are initially recorded in cost and are stated at historic cost, less accumulated depreciation and any provisions for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

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

Leased assets

Receipts and payments under operating leases are credited and charged to the profit and loss account in the period to which they relate.

Investments

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

Going concern

Notwithstanding the fact that the company has net current liabilities at the balance sheet date, the directors have prepared the financial statements on the going concern as it was felt that the cash generated from ongoing profitability will be more than sufficient to meet outstanding current liabilities before they fall due.

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.

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

1 Accounting policies (continued)

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.

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.

A net deferred tax asset is recognised 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 against which to recover carried forward tax losses and from which the future reversal of 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 an undiscounted basis.

Consolidation

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 400 of the Companies Act 2006 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 financial statements 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 2010 financial statements in accordance with Financial Reporting Standard number 1 (Revised 1996) – Cash flow statements.

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

2 Profit on ordinary activities before taxation

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

	2010	2009
	£	£
Auditors' remuneration	3,000	3,000
Depreciation of owned tangible fixed assets	134,304	116,503
Management charges (note 18)	(583,500)	(525,000)
Rents receivable (note 18)	(195,401)	(162,987)

No other services were provided to the company by the auditors during the year (2009 £nil)

3 Directors' emoluments

	2010	2009
	£	£
Aggregate emoluments	108,124	120,178
Pension costs	14,916	72,426
	123,040	192,604

Retirement benefits are accruing to one (2009 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 (2009 £nil)

	2010	2009
	£	£
Highest paid director		
Aggregate emoluments	104,976	106,159
Pension costs	9,000	9,000
	113,976	115,159

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

4 Staff costs

The aggregate payroll costs including directors' emoluments were as follows

	2010	2009
	£	£
Wages and salaries	102,539	109,965
Social security costs	11,287	12,012
Other pension costs	14,916	72,426
	128,742	194,403

There was one employee during the year apart from the directors (2009 one)

5 Interest receivable and similar income

	2010	2009
	£	£
Other interest receivable	-	74
	-	74

6 Interest payable and similar charges

	2010	2009
	£	£
Interest payable to group undertakings	40,942	39,408
	40,942	39,408

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

7 Tax on profit on ordinary activities

	2010	2009
	£	£
Current tax		
UK Corporation tax	153,611	92,691
Adjustment for prior periods	(2,884)	20,392
Total current tax	150,727	113,083
Deferred taxation		
Origination and reversal of timing differences	(9,000)	(2,000)
Adjustment for prior periods	(8,000)	(10,000)
Total deferred tax credit	(17,000)	(12,000)
Tax on profit on ordinary activities	133,727	101,083

Factors affecting the tax for the year

The tax assessed for the year is higher (2009 higher) than the standard rate of corporation tax in the UK (28%) (2009 28%). The differences are explained below

	2010	2009
	£	£
Profit on ordinary activities before taxation	455,752	316,754
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 28% (2009 28%)	127,611	88,691
Effects of		
Expenses not deductible for tax purposes	17,000	2,000
Accelerated capital allowances and other timing differences	9,000	2,000
Adjustments for prior periods	(2,884)	20,392
Current tax for the year	150,727	113,083

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

8 Tangible assets

	Land and buildings leasehold
	£
Cost	
At 1 April 2009	4,118,559
Additions	52,353
At 31 March 2010	4,170,912
Accumulated depreciation	
At 1 April 2009	329,419
Charge for the year	134,304
At 31 March 2010	463,723
Net book value	
At 31 March 2010	3,707,189
At 31 March 2009	3,789,140

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2009 and 31 March 2010	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 and Wales	Ordinary	100
UK Recycling Limited	Dormant	England and Wales	Ordinary	100
UK Materials Limited	Dormant	England and Wales	Ordinary	100

10 Debtors

	2010 £	2009 £
Value added tax recoverable	4,847	3,881
Deferred tax asset (note 13)	24,000	7,000
Other debtors	1,519	2,916
	30,366	13,797

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

11 Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	-	4,905
Amounts owed to group undertakings	2,659,851	3,003,402
Corporation tax	153,611	93,000
Other taxes and social security costs	5,912	7,879
Accruals and deferred income	6,580	17,279
	2,825,954	3,126,465

Amounts owed to group undertakings of £1,444,429 (2009 £1,703,922) are unsecured, interest free and repayable on demand. The balance is unsecured with interest payable at 2.75% over Bank of England base rate and repayable on demand.

12 Called up share capital

	2010	2009
	£	£
Authorised		
206,233 ordinary shares of £1 each	206,233	206,233
Allotted 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 2010 (continued)

13 Deferred tax asset

	2010	2009
	£	£
Origination and reversal of timing differences	24,000	7,000
Total deferred tax	24,000	7,000
At start of period	7,000	
Deferred tax credit in profit & loss account for period (note 7)	17,000	
At end of period	24,000	

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements

14 Reserves

	Share premium account	Profit and loss account
	£	£
At 1 April 2009	1,078,647	1,099,326
Profit for the financial year	-	322,025
At 31 March 2010	1,078,647	1,421,351

During the year no dividends (2009 £nil) were paid At the year end no dividends (2009 £nil) were proposed

15 Reconciliation of movement in total shareholders' funds

	2010	2009
	£	£
Profit for the financial year	322,025	215,671
Opening shareholders' funds	2,384,206	2,168,535
Closing shareholders' funds	2,706,231	2,384,206

Realpower Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

16 Contingent liabilities

The company, together with certain other DCC Group companies, participates in cash pooling arrangements with National Westminster Bank plc in respect of which National Westminster Bank plc has the right to offset overdraft balances against cash balances. The company had a cash balance of £130,915 at 31 March 2010 with National Westminster Bank plc (cash balance £nil as at 31 March 2009).

17 Parent and ultimate controlling party

At 31 March 2010 the company's immediate parent company was DCC Environmental Britain Limited, a company incorporated in Ireland.

The ultimate parent undertaking and controlling party is DCC plc, a company registered in Ireland which is the parent undertaking of the smallest and largest group to consolidate these financial statements. 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 number 8 – Related Party Disclosures.

18 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 £583,500 (2009 £525,000) and rent of £195,401 (2009 £162,987) from Wastecycle Limited. At the year end the company had balances due from Wastecycle Limited of £nil (2009 £nil) and due to Wastecycle Limited of £1,444,429 (2009 £1,703,922).