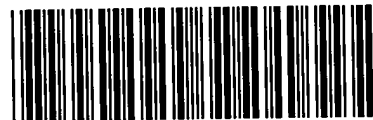


Realpower Limited

Annual report and financial statements
for the year ended 31 March 2015

Registered number: 04727708

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Realpower Limited

Annual report and financial statements for the year ended 31 March 2015

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Realpower Limited

Company information

Directors

PR Needham
T Davy
MT Tracey
NB Cole

Company secretary

NB Cole

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

Gateley 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

Strategic report for the year ended 31 March 2015

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

Principal activity

The company's principal activities during the year were that of a property holding company and provision of management services.

Review of the business

All income is derived from the company's main trading subsidiary, Wastecycle Limited, either as management fees or rental income. Income is up on last year due to a higher management charge in the current year.

Costs comprise rental of land in both Nottingham and Leicester, directors' remuneration, management of owned land in Nottingham and interest paid on group borrowings.

From 1 April 2014 all directors were remunerated from this company and incorporated into the management charge to Wastecycle Limited

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.

Principal risks and uncertainties

Risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management and DCC plc internal audit. Compliance with regulation, legal and ethical standards is a high priority for the company.

The key business risks and uncertainties affecting the Company are considered to relate to continued success of Wastecycle Limited's businesses as the Company is a property management company deriving its income from management services provided to and properties occupied by Wastecycle Limited.

By order of the Board



NB Cole
Company Secretary
2 June 2015

Realpower Limited

Directors' report for the year ended 31 March 2015

The directors present their Annual Report, together with the audited financial statements of the company for the year ended 31 March 2015.

Results and dividends

The trading profit for the year, after taxation, amounted to £0.39m (2014: £0.03m). No dividends were paid during the year (2014: £nil). No dividends were proposed at the year end (2014: £nil).

The balance sheet on page 8 shows that the company has net assets of £3.9m (2014: £3.5m).

Future developments

The directors consider that the company will continue to provide management and property services to Wastecycle Limited for the foreseeable future.

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risk the directors consider relevant to this company is credit risk. Credit risk is mitigated by the credit control procedures the company has in place and credit insurance.

Indemnity

The Company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against its directors. The Company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purpose of section 234 ((2) – (6)) of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

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 they believe that the cash generated from ongoing profitability will be more than sufficient to meet outstanding current liabilities before they fall due, with amounts owed to group undertakings not being required to be settled unless surplus cash is available.

Directors

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

PR Needham
T Davy
MT Tracey
NB Cole

Company secretary

NB Cole

Realpower Limited

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

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared 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.

Statement of disclosure of information to auditors

As far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



NB Cole
Company Secretary
2 June 2015

Independent auditors' report to the members of Realpower Limited

Report on the financial statements

Our opinion

In our opinion, Realpower Limited's financial statements (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 and cash flows 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.

What we have audited

Realpower Limited's financial statements comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss account for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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 statement.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 4, 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) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements 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.



Jas Khela (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

2 June 2015

Realpower Limited

Profit and loss account for the financial year ended 31 March 2015

	Notes	2015 £000	2014 £000
Administrative expenses		(974)	(673)
Other operating income	2	1,647	904
Operating profit	3	673	231
Interest payable and similar charges	6	(132)	(139)
Profit on ordinary activities before taxation	3	541	92
Tax on profit on ordinary activities	7	(151)	(57)
Profit for the financial year	15	390	35

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 years stated above and therefore no separate statement of total recognised gains and losses has been presented.

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

The notes on pages 10 to 20 form an integral part of these financial statements.

Registered Number: 04727708

Realpower Limited

Balance sheet as at 31 March 2015

	Notes	2015 £000	2014 £000
Fixed assets			
Tangible fixed assets	8	3,344	3,508
Investments	9	5,464	5,464
		8,808	8,972
Current assets			
Debtors	10	98	97
Debtors falling due after more than one year	10	102	102
Cash at bank and in hand		259	145
		459	344
Creditors: amounts falling due within one year	11	(5,354)	(5,793)
Net current liabilities		(4,895)	(5,449)
Net assets		3,913	3,523
Capital and reserves			
Called-up share capital	13	206	206
Share premium account	15	1,079	1,079
Profit and loss account	15	2,628	2,238
Total shareholders' funds	16	3,913	3,523

The financial statements on pages 7 to 20 were approved by the Board of Directors on 28 May 2015 and were signed on its behalf by:



PR Needham
Director

Realpower Limited, Registered Number: 04727708

The notes on pages 10 to 20 form an integral part of these financial statements.

Realpower Limited

Cash flow statement for the year ended 31 March 2015

	Note	2015 £000	2014 £000
Net cash inflow from operating activities	20	308	169
Returns on investments and servicing of finance			
Interest paid		(139)	(148)
Net cash flow from returns on investments and servicing of finance		(139)	(148)
Taxation		(55)	(137)
Capital expenditure			
Purchase of tangible fixed assets		-	-
Net cash outflow from capital expenditure		-	-
Increase/(decrease) in net cash in the year	20	114	(116)

Reconciliation of net cash flow to movement in net funds

	2015 £000	2014 £000
Increase/ (decrease) in cash in the year	114	(116)
Opening net funds	145	261
Closing net funds	259	145

Realpower Limited

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

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 (FRS) 18 – Accounting policies.

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 the directors believe that the cash generated from ongoing profitability will be more than sufficient to meet outstanding current liabilities before they fall due with amounts owed to group undertakings not being required to be settled unless surplus cash is available.

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:

Freehold land	0%
Freehold buildings	4% or 5% straight line
Land and buildings long 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.

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.

Other operating income

Other operating income represents management charges receivable from Wastecycle Limited for the Directors' time and rents receivable from Wastecycle Limited for its occupation of land leased from third party landlords and land owned by Realpower Limited, as set out in Note 2.

For management charges, revenue is recognised on a straight line basis each month, based on expected annual costs.

For rents receivable, revenue is recognised based on occupancy of the rental premises, over the period of the relevant rental agreements.

Realpower Limited

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

2 Other operating income

	2015	2014
	£000	£000
Management charges	1,128	395
Rents receivable	519	509
	1,647	904

The company's net assets and the origin of the business is all from the United Kingdom. There are only two classes of business being the provision of management services and the rental of property.

Realpower Limited

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

3 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging the following:

	2015	2014
	£000	£000
Operating lease charges – other	314	310
Depreciation of owned tangible fixed assets	164	154
Services provided by the company's independent auditor		
Auditors' remuneration	3	3
Fees payable for non-audit services	-	-

4 Directors' emoluments

	2015	2014
	£000	£000
Aggregate emoluments	273	140
Pension costs	22	12
	295	152

Retirement benefits are accruing to two (2014: one) directors under a defined contribution scheme. Two directors (2014: three) received no remuneration from the company during the year.

	2015	2014
	£000	£000
Highest paid director		
Aggregate emoluments	181	156
Pension costs	13	12
	194	168

Realpower Limited

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

5 Staff costs

The aggregate payroll costs including directors' emoluments were as follows:

	2015	2014
	£000	£000
Wages and salaries	462	159
Social security costs	56	20
Other pension costs	34	13
	552	192

There were 3 employees during the year apart from the directors (2014: one).

All pension costs were to employees' personal pension schemes. There were no amounts outstanding at 31 March 2015 (2014: £ nil).

6 Interest payable and similar charges

	2015	2014
	£000	£000
Interest payable to group undertakings	132	139

Realpower Limited

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

7 Tax on profit on ordinary activities

	2015	2014
	£000	£000
Current tax		
UK Corporation tax	152	56
Adjustment in respect of prior years	(1)	(1)
Total current tax	151	55
Deferred taxation		
Origination and reversal of timing differences	-	1
Impact of change in rates	-	1
Total deferred tax charge	-	2
Tax on profit on ordinary activities	151	57

Factors affecting the tax for the year

The tax assessed for the year is higher (2014: higher) than the standard rate of corporation tax in the UK (21%) (2014: 23%). The differences are explained below:

	2015	2014
	£000	£000
Profit on ordinary activities before taxation	541	92
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 21% (2014: 23%)	114	21
Effects of		
Expenses not deductible for tax purposes	38	36
Accelerated capital allowances and other timing differences	-	(1)
Adjustments in respect of prior years	(1)	(1)
Current tax for the year	151	55

Realpower Limited

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

8 Tangible fixed assets

	Land and buildings long leasehold	Land and buildings freehold	Total
	£000	£000	£000
Cost			
At 1 April 2014 and 31 March 2015	2,129	2,416	4,545
Accumulated depreciation			
At 1 April 2014	776	261	1,037
Charge for the year	117	47	164
At 31 March 2015	893	308	1,201
Net book amount			
At 31 March 2015	1,236	2,108	3,344
At 31 March 2014	1,353	2,155	3,508

The net book amount of freehold land at 31 March 2015 and 31 March 2014 was £1,277,897.

9 Investments

	Interests in subsidiary undertakings
	£000
Cost at 1 April 2014 and 31 March 2015	11,777
Impairment at 1 April 2014 and 31 March 2015	(6,313)
Net book value at 31 March 2015 and 31 March 2014	5,464

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.

Realpower Limited

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

9 Investments (continued)

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

Indirect holdings

Company			Shares held	
Subsidiary undertaking	Principal activity	Country of registration or incorporation	Class	%
Maxi Waste Limited	Dormant	England and Wales	Ordinary	100
Toton Aggregates Limited	Dormant	England and Wales	Ordinary	100
Tollerton Skip Hire Limited	Dormant	England and Wales	Ordinary	100

Realpower Limited

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

10 Debtors

	2015	2014
	£000	£000
Other taxation and social security	16	14
Deferred tax asset (note 14)	7	7
Other debtors	75	76
Total due within one year	98	97
Total falling due after more than one year – other debtors	102	102

The debtor falling due after more than one year is in relation to the deposit paid on Wesley Street following the lease agreement put into place. The lease required a deposit for 6 months rent. This deposit is not due to be returned to Realpower Limited before expiry of the lease in 2026.

11 Creditors: amounts falling due within one year

	2015	2014
	£000	£000
Trade creditors	12	-
Amounts owed to group undertakings	5,029	5,640
Corporation tax	152	56
Other taxation and social security	25	9
Accruals and deferred income	136	88
	5,354	5,793

Amounts owed to group undertakings of £861,214 (2014: £1,364,648) 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.

Realpower Limited

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

12 Leasing commitments

Annual commitments under operating leases at 31 March 2015 were as follows:

	Land and buildings	
	2015	2014
	£000	£000
Expiring after five years	310	310

13 Called up share capital

	2015	2014
	£000	£000
Allotted and fully paid		
206,233 ordinary shares of £1 each	206	206

14 Deferred tax asset

	2015	2014
	£000	£000
At start of year	7	9
Deferred tax charge in profit and loss account for period (note 7)	-	(2)
At end of year	7	7

Deferred taxation provided in the financial statements is as follows:

	2015	2014
	£000	£000
Accelerated capital allowances	7	7

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 full in these financial statements.

Realpower Limited

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

15 Reserves

	Share premium account	Profit and loss account
	£000	£000
At 1 April 2014	1,079	2,238
Profit for the financial year	-	390
At 31 March 2015	1,079	2,628

16 Reconciliation of movement in total shareholders' funds

	2015	2014
	£000	£000
Profit for the financial year	390	35
Opening total shareholders' funds	3,523	3,488
Closing total shareholders' funds	3,913	3,523

17 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 £258,942 at 31 March 2015 with National Westminster Bank plc (2014: £144,639).

18 Related party transactions

The company has taken advantage of the relief available under FRS 8 Related Party Disclosures not requiring disclosure of transactions with wholly owned entities that are fellow group companies or investees of the group qualifying as related parties.

The company is related to DCC Holdings (UK) Limited by virtue of it being a fellow group undertaking of the ultimate parent company DCC plc. During the year the company incurred interest charges of £131,976 (2014: £139,380) on an intercompany loan from DCC Holdings (UK) Limited. At the year end the company had balances due to DCC Holdings (UK) Limited of £4,167,830 (2014: £4,275,232).

The company is related to DCC Management Services Limited by virtue of it being a fellow group undertaking of the ultimate parent company DCC plc. During the year the company paid £1,243 (2014: £1,825) for tax compliance fees. At the year end the company had balances due to DCC Management Services Limited of £ nil (2014: £ nil).

Realpower Limited

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

18 Related party transactions (continued)

The spouse of a director, who was a related party in 2014 and earned £20,958 in 2014 for the services she performed as an employee of the company, is no longer a related party in 2015.

19 Parent and ultimate controlling party

At 31 March 2015 the company's immediate parent company was DCC Environmental Britain Limited, a company incorporated in the Republic of Ireland.

The ultimate parent undertaking and controlling party is DCC plc, a company registered in the Republic of 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, Leopardstown Road, Foxrock, Dublin 18, Ireland.

20 Notes to the cash flow statement

a) Reconciliation of operating profit to net cash inflow from operating activities

	2015 £000	2014 £000
Operating profit	673	231
Depreciation	164	154
Increase in debtors	(1)	(1)
Decrease in creditors	(528)	(215)
Net cash inflow from operating activities	308	169

b) Analysis of net funds

	At 1 April 2014 £000	Cash flow £000	Non-cash movements £000	At 31 March 2015 £000
Cash at bank and in hand	145	114	-	259