

Churngold Remediation Limited

UNAUDITED FINANCIAL STATEMENTS

for the year ended

31 May 2015

Churngold Remediation Limited

COMPANY INFORMATION

DIRECTORS

A R Brown (Managing Director)
H J Ventham (Environmental Director)
R K McCabe (Director)
S R J Dyke (Commercial Director)

SECRETARY

R N Tredwin

REGISTERED OFFICE

St Andrews House
St Andrews Road
Avonmouth
Bristol
BS11 9DQ

BANKERS

Lloyds TSB Bank plc
61 Gloucester Road
Bristol
BS34 5JH

SOLICITORS

Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

Churngold Remediation Limited

REPORT OF THE DIRECTORS

The directors present their report and the financial statements of the company for the year ended 31 May 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company continues to be the remediation of contaminated sites throughout the UK.

DIRECTORS

The directors who served the company during the year and following the year end were as follows:

H J Ventham
R K McCabe
A R Brown
S R J Dyke

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £31,000 (2014: profit of £34,000). No dividend is proposed.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD



R N Tredwin
Secretary
2nd September 2015

Churngold Remediation Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 May 2015

	Note	2015 £000	2014 £000
TURNOVER	2	836	990
Cost of sales		(655)	(676)
GROSS PROFIT		181	314
Administrative expenses		(209)	(276)
OPERATING (LOSS) / PROFIT	3	(28)	38
Interest payable and similar charges	6	(3)	(4)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(31)	34
Tax on loss /profit on ordinary activities	7	-	-
(LOSS) / PROFIT FOR THE FINANCIAL YEAR	15	(31)	34

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above

Churngold Remediation Limited

BALANCE SHEET

as at 31 May 2015

	Note	2015 £000	2014 £000
FIXED ASSETS			
Tangible assets	8	1	-
CURRENT ASSETS			
Debtors	9	179	489
Cash at bank and in hand		-	-
		179	489
CREDITORS: amounts falling due within one year	10	(211)	(489)
NET CURRENT LIABILITIES		(32)	-
TOTAL ASSETS LESS CURRENT LIABILITIES		(31)	-
CREDITORS: amounts falling due after more than one year		-	-
		(31)	-
CAPITAL AND RESERVES			
Called-up share capital	14	16	16
Profit and loss account	15	(47)	(16)
SHAREHOLDERS' DEFICIT	16	(31)	-

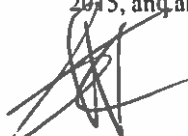
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing unaudited financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to unaudited financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These unaudited financial statements were approved by the directors and authorised for issue on 2nd September 2015, and are signed on their behalf by:


S R J Dyke
Director

Churngold Remediation Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2015

1. PRINCIPAL ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), "the FRSSSE 2008".

The principal accounting policies of the company have remained unchanged from the previous year.

GOING CONCERN

The directors consider that the company has sufficient resources available in terms of related party funding to justify preparing the financial statements on a going concern basis.

TURNOVER

Turnover is the total amount receivable for goods and services provided, net of VAT and trade discounts. In the case of long term contracts, turnover represents the sales value of work done in the year, and is recognised in accordance with the long term contracts policy below.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - over 3 to 5 years (straight line)

Motor Vehicles – over 2 to 7 years (straight line)

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

PENSION COSTS

The company contributes to the personal pensions of certain employees. Contributions are charged to the profit and loss account as incurred.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.

LONG-TERM CONTRACTS

Turnover and related costs on each long-term contract are recorded in the profit and loss account as contract activity progresses. Turnover is calculated on the basis of the value of the work done.

Attributable profit is calculated for each contract by reference to the contract's cumulative turnover, total contract value and total profit estimated for the completed contract. Full provision is made for losses on a contract immediately they can be foreseen in the balance sheet. The value of work completed at the year end and for which no sales invoice has been raised or no certification paid is included in amounts recoverable on long-term contracts.

Churngold Remediation Limited
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
for the year ended 31 May 2015

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2015 £000	2014 £000
United Kingdom	836	990

3. OPERATING PROFIT

Operating profit is stated after charging:

	2015 £000	2014 £000
Operating lease costs:		
Plant and equipment	91	174
Land and buildings	9	11

4. DIRECTORS AND EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2015 No	2014 No
Number of management staff	2	3
Number of service staff	2	4

The aggregate payroll costs of the above were:

	2015 £000	2014 £000
Wages and salaries	201	218
Social security costs	27	19
Pension	12	-

Churngold Remediation Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 May 2015

5. DIRECTORS

Remuneration in respect of directors was as follows:

	2015 £000	2014 £000
Emoluments receivable	157	95
Pensions	4	-
	<u>161</u>	<u>95</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015 No	2014 No
Money purchase schemes	<u>2</u>	<u>1</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £000	2014 £000
Interest payable on bank borrowing	<u>3</u>	<u>4</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015 £000	2014 £000
Current tax		
UK Corporation tax based on the results for the year at 20.83% (2014: 22.67%)	-	-
(Over)/under provision in prior year	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2014: 23%).

	2015 £000	2014 £000
(Loss) /profit on ordinary activities before taxation	<u>(31)</u>	<u>34</u>
(Loss) /profit on ordinary activities by rate of tax	(6)	8
Capital allowances for period in excess of depreciation	(1)	(1)
Other short term timing differences	(1)	(1)
Losses utilised	8	(6)
	<u>-</u>	<u>-</u>
Total current tax (note 7(a))	<u>-</u>	<u>-</u>

Churngold Remediation Limited
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
for the year ended 31 May 2015

8. TANGIBLE FIXED ASSETS

	Plant & Machinery £000
Cost	
At 1 June 2014	304
Additions	1
Disposals	(216)
At 31 May 2015	<u>89</u>
Depreciation	
At 1 June 2014	304
Charge for the year	-
Disposals	(216)
At 31 May 2015	<u>88</u>
Net Book Value	
At 31 May 2015	<u>1</u>
At 31 May 2014	<u>*</u>

9. DEBTORS

	2015 £000	2014 £000
Trade debtors	82	180
Amounts owed by related undertakings	13	51
Amounts recoverable on contracts	20	196
Amounts owed by group undertakings	61	60
Prepayments and accrued income	3	2
	<u>179</u>	<u>489</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £000	2014 £000
Bank overdraft	93	27
Trade creditors	29	188
Other taxation and social security	16	29
Other creditors	-	26
Amounts owed to related undertakings	61	20
Accruals and deferred income	12	199
	<u>211</u>	<u>489</u>

Churngold Remediation Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 May 2015

11. PENSIONS

The company operates a defined contribution scheme for the benefit of all employees. The assets of the scheme are administered by trustees in a fund independent from the company.

12. CONTINGENT LIABILITIES

There are contingent liabilities in respect of performance guarantees entered into in the normal course of business amounting to £nil as at 31 May 2015 (2014: £nil). The performance bond provider holds a letter of cross guarantee between the company, its parent undertaking and Churngold Construction Holdings Limited. Additionally, the bank holds a letter of cross guarantee and debenture between the company, its ultimate parent undertaking and Churngold Construction Holdings Limited in respect of bank borrowings.

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the Churngold Remediation Holdings Limited group of companies.

During the year, the company undertook the following transactions and had amounts owing to/from members of the Churngold Construction Holdings Limited group, Churngold Waste and Recycling Limited and Churngold Recycling Limited entities where J R Ancell is both a director and one of the beneficiaries of the Ancell Trust, of which the Bourse Trust Company Limited is the Trustee and able to exercise more than 20% of the votes at 31 May 2015.

	Purchases £000	Sales £000	Owed to £000	Owed by £000
2015				
Churngold Construction Holdings Limited	7	-	-	-
Churngold Recycling Holdings Limited	-	1	-	-
Churngold Construction Limited	140	110	61	12
Churngold Surfacing Limited	47	4	-	1
Churngold Recycling Limited	-	373	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2014				
Churngold Construction Holdings Limited	8	-	-	-
Churngold Waste & Recycling Limited	-	2	-	-
Churngold Construction Limited	144	73	20	5
Churngold Surfacing Limited	4	4	-	-
Churngold Recycling Limited	-	123	-	46
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14. SHARE CAPITAL

	No	2015 £000	No	2015 £000
Allotted, called up and fully paid: Ordinary shares of £1 each	15,823	16	15,823	16
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Churngold Remediation Limited
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
for the year ended 31 May 2015

15. PROFIT AND LOSS ACCOUNT

	2015 £000	2014 £000
Balance brought forward	(16)	(50)
(Loss) / profit for the financial year	(31)	34
	<u>(47)</u>	<u>(16)</u>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS DEFICIT

	2015 £000	2014 £000
(Loss) / profit for the financial year	(31)	34
Opening shareholder's deficit	-	(34)
	<u>(31)</u>	<u>-</u>

17. CAPITAL COMMITMENTS

The directors have confirmed that there were no capital commitments at 31 May 2015 or 31 May 2014.

18. ULTIMATE PARENT COMPANY AND CONTROLLING RELATED PARTY

The company is a wholly owned subsidiary of Churngold Remediation Holdings Limited.

Churngold Remediation Holdings Limited represents the smallest and largest group into which the results of the company are consolidated. Group financial statements are available at the registered office of this company.

The directors consider that the ultimate controlling party is Bourse Trust Company Limited, as Trustee of the Ancell Trust, by virtue of the majority shareholding in the ultimate parent company.