Registered number: 03162046

Uranium Asset Management Limited

Annual report and financial statements

for the year ended 31 March 2016

Uranium Asset Management Limited

Contents

Uranium Asset Management Limited

Company information

Directors	Michael R A Smith Linda M Aylmore
Company secretary	Fiona A Houghton
Registered office	Springfields Salwick Preston Lancashire PR4 0XJ
Auditor	Ernst & Young LLP 100 Barbirolli Square Manchester M2 3EY
Bankers	JP Morgan Chase Bank N.A 125 London Wall London EC2Y 5AJ

Uranium Asset Management Limited

Strategic report
For the year ended 31 March 2016

The directors present their Strategic report for the financial year ended 31 March 2016.

The directors, in preparing this Strategic report, have complied with Section 414C of the Companies Act 2006.

Principal activity and fair review of the business

The ultimate parent company is Toshiba Corporation and the immediate parent company is Westinghouse Electric UK Holdings Limited.

The company's principal activities during the year continued to be:

a) The management of uranium inventory and the provision of expert advice to Westinghouse companies in the Toshiba group, and Toshiba Corporation (acting through Toshiba Corporation Energy Systems & Solutions Company).

b) The supply of radioactive material transport services and expert advice to Westinghouse related parties.

The company's key financial indicators during the year were as follows:

	2016 £ 000	2015 £ 000	% Change increase/(decrease)
Turnover	**7,561**	7,144	5.8%
Operating loss	**(5,562)**	(4,401)	26.4%
Loss for the financial year	**(5,537)**	(3,858)	43.5%
Shareholder's equity	**36,662**	40,958	(10.5%)
Current assets as a % of current liabilities	**18:1**	32:1	(43.8%)

Turnover has increased to £7,561,000 (2015: £7,144,000), which was mainly due to intercompany transport sales. However, operating expenses of £13,123,000 exceeded prior year (2015: £11,545,000) resulting in an operating loss of £5,562,000 (2015: loss of £4,401,000). In 2014/15 the company changed from a short-term focus of selling at spot to a long-term strategy, due to the volatility in the uranium spot market. Although there was an immediate shortfall in sales volume, the company was successful in securing long-term commitments with orders confirmed for the sale of surplus uranium up to 2020.

Internally, the company reports into the Nuclear Fuel & Component Manufacturing Business segment for all uranium and transportation matters driving efficiencies through cost improvements and global best practice.

The company's main objective is safety and it continues to strive for zero accidents through effective safety measures and near miss reporting targets (see below).

Results and dividends

The loss for the year after taxation amounted to £5,537,000 (2015: loss of £3,858,000). The directors do not recommend the payment of a dividend (2015: £nil).

Strategic report (continued)
For the year ended 31 March 2016

Key Performance Indicators

The company monitors performance using a number of key non-financial performance indicators (KPI) as detailed in the following table.

KPI Area	KPI	Target 2015/16	Outturn 2015/16	Target 2014/15	Outturn 2014/15
Operations	Return on sales (management reporting operating profit divided by turnover)	(12.7%)	(3.9%)	(31.5%)	0.7%
Personnel	Number of near-miss reports	100	16	100	55

- The corporate target for return on sales is calculated as management reporting operating profit divided by sales. The increased return on sales is due to the allocation of corporate recharges.
- There have been zero RIDDOR (The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) reportable accidents and lost time accidents during the financial year.

Principal risks and uncertainties

The uranium market is experiencing an all-time low value and has continued to be volatile throughout the year and the spot uranium price settled at $28.25 per pound U3O8 at the end of March 2016 (2015: $39.40). The uranium price has lost over 16 percent of its value in just 12 months. The Separative Work Units (SWU) value year end price was $60 per SWU (2015: $79).

The spot uranium price continued to slide in 2016. Japanese utilities are evaluating their uranium inventory positions seeking to optimise nuclear fuel stock and seeking opportunities to manage future deliveries. The decline in price has been driven by the accumulation of excess supply as a result of the shutdowns of nuclear utilities in Japan and Germany. This dynamic has created a strong buyers' market and has helped to drive prices down.

The market valuation of uranic stocks still remains higher than the historic cost as reflected in the company's balance sheet. Whilst there is always a material risk the market prices of uranium could fall, the directors' opinion is that this does not currently present any risk to the company under current market conditions.

- The company is managing the risk of the fragile supply chain for the international transport of radioactive materials and is actively monitoring and developing measures to maintain and increase the available routes and providers.
- Published predictions (The UxC Uranium Outlook Q1 March 16 Mid-Price Scenario) anticipate that the market price will continue to trend in the region of $29 per lb U3O8 until 2017. Expectations for 2018 project an increase in prices up to the mid $40s.

Future developments

Effective 1 April 2016, both third party commercial transports and internal transports have been reassigned and incorporated into Springfields Fuels Limited (SFL), a 100% subsidiary of Westinghouse. From this date, commercial transports and internal transports now operate as SFL on behalf of Westinghouse.

As a result of a business restructure of both the Uranium Asset Management Limited ("UAM") and Advance Uranium Asset Management Limited ("AUAM") legal entities, there have been major changes for the UK transport team. In addition to the business restructure, Westinghouse has also changed the reporting and management responsibilities of its global transport businesses.

Previously, all third party commercial radioactive transports were operated as a business activity of AUAM (a Toshiba and Westinghouse joint venture company). All Westinghouse internal radioactive transports organised in the UK were managed through UAM.

Strategic report (continued)
For the year ended 31 March 2016

Future developments (continued)

The directors are constantly reviewing the strategic options available in the front end nuclear fuel cycle for growth opportunities that provide the best fit for Toshiba and Westinghouse.

The company continues to:

a) Manage uranium inventory and the sale of surplus uranium material and provide expert advice to Westinghouse companies in the Toshiba group, and Toshiba Corporation (acting through its Energy Systems & Solutions Company);

b) Supply radioactive material transport services and expert advice to Westinghouse related parties; and

c) Provide additional procurement related project management services.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 24 to the financial statements.

Approved by the Board on 28 November 2016 and signed on its behalf by:

....

Angela T Darkey

Director

Uranium Asset Management Limited

Directors' report
For the year ended 31 March 2016

The directors present their annual report on the affairs of the company, together with the audited financial statements and auditor's report, for the year ended 31 March 2016.

Directors

The directors, who served throughout the year except as noted, were as follows:

Michael R A Smith (resigned 31 August 2016)

Linda M Aylmore (resigned 1 June 2016)

Steven R Hart (appointed 1 June 2016)

Angela T Darkey (appointed 31 August 2016)

The company maintains Directors and Officers liability insurance covering the defence costs of civil legal proceedings and the damages from the unsuccessful defence of such proceedings except in each case to the extent that a director or officer acted fraudulently or dishonestly.

Strategic report

The information that fulfils the Companies Act requirements of the business review is included in the strategic report. This includes a review of the development of the business of the company during the year, of its position at the end of the period and of the likely future developments in its business.

Financial risk management objectives and policies

Financial instruments

The company's financial instruments comprise some cash and short-term loans to and from group undertakings that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risks arising from the company's financial instruments are interest rate risk, foreign currency risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. The policies have remained unchanged since incorporation.

Interest rate risk

The company finances its operations through a mixture of retained profits and loans from group undertakings. Interest rates in respect of group undertakings are in accordance with Westinghouse treasury policies.

Foreign currency risk

As at 31 March 2016 there were 4 outstanding foreign currency contracts (2015: 3).

Company policies ensure that an overall view of the group's exchange exposure and foreign currency commitments can be done in conjunction with the Treasury Department of Westinghouse Electric Company LLC.

Westinghouse's policy requires that transaction exposure be properly hedged beyond $500,000, through the purchase of forward or option contracts, matching the terms of the underlying exposure. Contingent exposure occurs where there is an event or condition that is likely but not inevitable. This is managed at the discretion of the respective company. Recommendation is that the risk remains with the customer or vendor until an award is made or a purchase becomes firm.

Directors' report (continued)
For the year ended 31 March 2016

Financial risk management objectives and policies (continued)

Liquidity risk

Multi-currency notional cash pooling is a liquidity management technique whereby debit and credit balances in the bank accounts of a multiple group of companies in various currencies are offset. Westinghouse cash pool accounts are treated as one account with one balance even though the actual balances are in the name of the different group companies. The main purpose of the cash pool is to use surplus cash and at the same time reduce borrowing costs for the group. This means that all excess cash and borrowing requirements from the group company's local bank accounts are concentrated in the Westinghouse global cash pool. Working capital cash requirements are retained in the local bank accounts. Each group company maintains its existing local banking relationship. Additionally, a local or functional currency account in the group company's name is opened, with all cash balances, in all currency accounts being interest bearing. As the Westinghouse accounts are pooled and offset, interest expense is reduced and/or interest income is increased. Any surplus Westinghouse cash pool balances are utilised and can be invested in the form of interest bearing loans from Westinghouse Electric UK Holdings Limited, generally on a monthly rolling basis.

Research and development

The company does not engage in research and development activities.

Political donations

The company has made no political contributions during the year (2015: £nil).

Directors' liabilities

The company maintains directors' and officers' liability insurance covering the defence costs of civil legal proceedings and the damages resulting from the unsuccessful defence of such proceedings except, in such cases, to the extent that a director or officer acted fraudulently or dishonestly.

Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position and financial risk management objectives are described in the Strategic report on pages 2 to 4.

The company is a member of the Westinghouse cash pooling arrangement and as such has access to considerable cash resources, has a positive cash position and holds an investment in another group company. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors' report (continued)
For the year ended 31 March 2016

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

In accordance with Section 487 of the Companies Act 2006, Ernst & Young LLP will not be re-appointed as the company's auditors. PricewaterhouseCoopers LLP will be appointed as the company's auditors for the year ending 31 March 2017.

Approved by the Board on 28 November 2016 and signed on its behalf by:

....

Angela T Darkey

Director

Uranium Asset Management Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report including the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare such 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Independent auditor's report to the members of Uranium Asset Management Limited

We have audited the financial statements of Uranium Asset Management Limited for the year ended 31 March 2016 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes set out on pages 16 to 38. The financial reporting framework that has been applied in their preparation is applicable law United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member 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 8), 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 (APB'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 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.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 Reduced Disclosure Framework; 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 Directors' report and for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Uranium Asset Management 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.

Ernst & Young LLP

Julian Yates (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

Date: 19 December 2016

Uranium Asset Management Limited

Profit and loss account
For the year ended 31 March 2016

	Note	Continuing operations 2016 £ 000	Discontinuing operations 2016 £ 000	Total 2016 £ 000
Turnover	5	-	7,561	7,561
Net operating costs and expenses		(5,863)	(7,260)	(13,123)
Operating (loss)/profit before interest and taxation	6	(5,863)	301	(5,562)
Interest receivable and similar income	9	1,619	301	1,920
Interest payable and similar charges	10	(2,567)	(20)	(2,587)
(Loss)/profit on ordinary activities before taxation		(6,811)	582	(6,229)
Tax on (loss)/profit on ordinary activities	11	808	(116)	692
(Loss)/profit for the financial year		(6,003)	466	(5,537)

Uranium Asset Management Limited

Profit and loss account
For the year ended 31 March 2016

	Note	Continuing operations Restated 2015 £ 000	Discontinuing operations Restated 2015 £ 000	Total Restated 2015 £ 000
Turnover	5	1,167	5,977	7,144
Net operating costs and expenses		(6,005)	(5,540)	(11,545)
Operating (loss)/profit before interest and taxation	6	(4,838)	437	(4,401)
Interest receivable and similar income	9	1,665	361	2,026
Interest payable and similar charges	10	(2,438)	-	(2,438)
(Loss)/profit on ordinary activities before taxation		(5,611)	798	(4,813)
Tax on (loss)/profit on ordinary activities	11	1,123	(168)	955
(Loss)/profit for the financial year		(4,488)	630	(3,858)

Uranium Asset Management Limited

Statement of comprehensive income
For the year ended 31 March 2016

	2016 **£ 000**	2015 £ 000
Loss for the financial year	(5,537)	(3,858)
Other comprehensive income:		
Items that cannot be reclassified to the profit or loss:		
Actuarial gain/(loss) recognised on defined benefit pension scheme	1,493	(1,904)
Hedges of variable interest risk and foreign exchange risk	-	9
Tax on items relating to components of other comprehensive income	(292)	398
Other comprehensive income for the year	1,201	(1,497)
Total comprehensive income for the year attributable to the owners of the company	(4,336)	(5,355)

Uranium Asset Management Limited

Balance sheet
As at 31 March 2016

	Note	2016 £ 000	2015 £ 000
Fixed assets			
Investments	13	**1,063**	1,063
Current assets			
Stocks	14	**94,369**	93,879
Debtors: amounts falling due within one year	15	**5,308**	4,303
Debtors: amounts falling due after one year	16	**452**	809
Cash at bank and in hand		**161,593**	164,497
Total current assets		**261,722**	263,488
Creditors: amounts falling due within one year	17	**(9,290)**	(5,284)
Net current assets		**252,432**	258,204
Creditors: amounts falling due after more than one year	18	**(218,182)**	(218,182)
Pension asset/(liability)	21	**1,309**	(127)
Net assets		**36,622**	40,958
Capital and reserves			
Called-up share capital	20	**48,715**	48,715
Profit and loss account		**(12,093)**	(7,757)
Total shareholder's funds		**36,622**	40,958

The financial statements of Uranium Asset Management Limited (registration number: 03162046) were approved by the Board of directors and authorised for issue on 28 November 2016.

They were signed on its behalf by:

....

Angela T Darkey
Director

Uranium Asset Management Limited

Statement of changes in equity
For the year ended 31 March 2016

	Called-up share capital £ 000	Cash flow hedging reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2014 as previously stated	48,715	-	(2,393)	46,322
Changes on transition to FRS 101 (see note 25)	-	(9)	-	(9)
As restated	48,715	(9)	(2,393)	46,313
Loss for the financial year	-	-	(3,858)	(3,858)
Other comprehensive income:				
Hedges of variable interest rate risk and exchange risk	-	9	-	9
Actuarial loss on defined benefit pension scheme	-	-	(1,904)	(1,904)
Tax relating to items of other comprehensive income	-	-	398	398
Total comprehensive income	-	9	(5,364)	(5,355)
At 31 March 2015	48,715	-	(7,757)	40,958
Loss for the financial year	-	-	(5,537)	(5,537)
Other comprehensive income:				
Actuarial gain on defined benefit pension scheme	-	-	1,493	1,493
Tax relating to items of other comprehensive income	-	-	(292)	(292)
Total comprehensive income	-	-	(4,336)	(4,336)
At 31 March 2016	**48,715**	**-**	**(12,093)**	**36,622**

Notes to the financial statements
For the year ended 31 March 2016

1 General information

The company is a private company limited by share capital and is incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered office is:

Springfields
Salwick
Preston
Lancashire
PR4 0XJ

These financial statements are presented in Pounds sterling because that is the currency of the primary economic environment in which the company operates.

The accounts are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and applicable accounting standards.

2 Changes in accounting policy

Amendment to IFRSs and the new interpretation that are mandatorily effective for the current year

In the current year, the company has applied a number of amendments to IFRSs and a new interpretation issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 April 2015. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IFRS 1 "Clarification of the meaning of 'effective IFRSs'";
- IFRS 3 "Clarification of the scope exclusion for joint ventures";
- IFRS 13 "Clarification of the scope of the portfolio exemption";
- IAS 40 "Clarification of the relationship between IFRS 3 and IAS 40";
- IAS 19 "Defined benefit plans: employee contributions";
- Annual improvements to IFRSs 2010-2012 cycle (Dec 2014); and
- Annual improvements to IFRSs 2011-2013 cycle (Dec 2013).

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations are in issue but not yet effective (and in some cases have not been adopted by the EU):

- IFRS 9 Financial instruments;
- IFRS 14 Regulatory deferral accounts;
- IFRS 15 Revenue from contracts with customers;
- IFRS 16 Leases;
- Amendments to IAS 1 Disclosure initiative;
- Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture;

Notes to the financial statements (continued)
For the year ended 31 March 2016

2 **Changes in accounting policy (continued)**

New and revised IFRSs in issue but not yet effective (continued)

- Amendments to IFRS 11 Accounting for acquisitions of interest in joint operations;
- Amendments to IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortisation;
- Amendments to IAS 27 Equity method in separate financial statements; and
- Annual improvements to IFRSs 2012-2014 cycle (Sep 2014).

3. **Accounting policies**

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 March 2016 the company has undergone transition from reporting under UK GAAP to FRS 101 as issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. The impact of adoption is disclosed in note 25.

Summary of disclosure exemptions

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 10(f) of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cashflows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors; and
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Transactions.

Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position and financial risk management objectives are described in the Strategic report on pages 2 to 4.

The company is a member of the Westinghouse cash pooling arrangement and as such has access to considerable cash resources, has a positive cash position and holds an investment in another group company. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

3 **Accounting policies (continued)**

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Turnover

Revenue-earning activities involve delivering or producing goods, rendering services, or other activities that constitute its ongoing major or central operations and revenues are considered to have been earned when the entity has substantially accomplished what it must do to be entitled to the benefits represented by the revenues.

Revenue is only recognised when the entity has met all of the following criteria:

- persuasive evidence of an arrangement exists;
- delivery has occurred or services have been rendered;
- the seller's price to the buyer is fixed or determinable; and
- collectability is reasonably assured.

Tax

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3 Accounting policies (continued)

Tax (continued)

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. Exchange differences are taken to the profit and loss account.

Investments

Fixed asset investments are shown at cost less provision for diminution in value. The carrying values of investments are reviewed for impairment if events or changes in circumstances indicate that a provision for impairment is required.

Post-retirement benefits

During the year the company participated in the Group Pension Scheme UAM/WEC section of the Combined Nuclear Pension Plan ("CNPP"), a defined benefit pension scheme which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the CNPP is determined using the projected unit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. Past service costs are recognised in profit or loss on a straight-line basis over the vesting period or immediately if the benefits have vested. When a settlement or a curtailment occurs the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the profit and loss account. Losses are measured at the date that the employer becomes demonstrably committed to the transaction and gains when all parties whose consent is required are irrevocably committed to the transaction.

The interest element of the defined benefit cost represents the change in present value of scheme obligations relating from the passage of time, and is determined by applying the discount rate to the opening present value of the benefit obligation, taking into account material changes in the obligation during the year. The expected return on plan assets is based on an assessment made at the beginning of the year of long-term market returns on scheme assets, adjusted for the effect on the fair value of plan assets of contributions received and benefits paid during the year. The difference between the expected return on plan assets and the interest cost is recognised in the income statement as other finance income or expense.

Actuarial gains and losses are recognised in full in the statement of recognised gains and losses in the period in which they occur.

The defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds that have been rated at AA or equivalent status), less any past service cost not yet recognised and less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

3 Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and debtors'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

Loans and debtors

Trade debtors, loans, and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and debtors'. Loans and debtors are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term debtors when the recognition of interest would be immaterial.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3 **Accounting policies (continued)**

Financial instruments (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised as the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

4 **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The company has critical judgements to disclose, that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the accounts recognised in the financial statements.

(i) Revenue recognition

In making its judgement, management considered the detailed criteria for the recognition of revenue from the sale of goods and services set out in IAS 18 Revenue and, in particular, whether the company had transferred to the buyer the significant risks and rewards of ownership of the goods.

(ii) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses its judgment based on market conditions existing at the end of each reporting period.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed as follows.

Notes to the financial statements (continued)
For the year ended 31 March 2016

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

(i) Defined benefit scheme

The company has obligations to pay pension benefits to certain employees. The pension asset and post retirement liability are calculated in accordance with International Accounting Standard 19 (IAS 19) Employee Benefits. The cost of these benefits and the present value of the obligation depend upon a number of factors, including; life expectancy, salary increases, asset valuations and a discount rate based on inflation. As such, the financial position of a pension fund on this basis is highly sensitive to changes. See note 21 for the disclosures relating to the defined benefit pension scheme.

(ii) Deferred Tax

The company has recognised a deferred tax asset (see note 16) which requires judgement for determining the extent of recoverability at each reporting date. The company assesses the recoverability with reference to forecasts of future taxable profits. These forecasts require the use of assumptions and estimates. Where the temporary differences are related to losses, relevant law is considered to determine the availability of the losses to offset against the future taxable profits.

(iii) Estimated impairment of investments

In accordance with the accounting policy stated in note 3, the company periodically tests whether investments have suffered any impairment. The recoverable amounts of cash generating units have been determined based on value in use calculations. These calculations require the use of estimates. The assumptions on which impairment testing is based include, but are not limited to, discount rate, useful economic life and cash flow forecasts for future business generation.

(i) Inventories write-down

Inventories write-down is provided based on their net realisable value. Net realisable value is the estimate of the selling price in the ordinary course of business, less cost to completion and selling expenses.

5 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to customers. This is attributable to the sale of uranium inventory and the supply of radioactive material transport services. An analysis of the company's turnover by geographical market is set out below.

	2016	2015
	£ 000	£ 000
United Kingdom	**1,816**	1,726
Europe - EU	**1,164**	1,488
Europe - Non EU	**-**	29
North and South America	**4,581**	3,901
	7,561	7,144

Notes to the financial statements (continued)
For the year ended 31 March 2016

5 Turnover (continued)

An analysis of the company's turnover by class of business is set out below.

Turnover:	2016 £ 000	2015 £ 000
Transport	**5,024**	4,869
Uranium	**-**	60
Other project management services	**2,537**	2,215
	7,561	7,144

6 Loss for the financial year

Loss for the year has been arrived at after charging/(crediting):

	2016 £ 000	2015 £ 000
Changes in stocks of finished goods and work in progress	**(2,860)**	(2,177)
Raw materials and consumables	**(177)**	263
Other external and operating charges	**15,490**	13,041
Employee costs (see note 8)	**156**	72
Pension costs	**503**	393
Foreign exchange loss/(gain)	**11**	(47)

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £ 000	2015 £ 000
Remuneration	**301**	316
Company contributions to money purchase pension schemes	**60**	63
	361	379

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Accruing benefits under defined benefit pension scheme	**2**	2

In respect of the highest paid director:

	2016 £ 000	2015 £ 000
Remuneration	**188**	142
Defined benefit accrued pension entitlement at the end of the period	**37**	36

Notes to the financial statements (continued)
For the year ended 31 March 2016

7 Directors' remuneration (continued)

Michael R A Smith was the only employee of the company and Linda M Aylmore is an employee of Westinghouse Electric UK Holdings Limited and emoluments relating to their services as directors of the company were recharged to Advance Uranium Asset Management Limited as per the service level agreement. The Managing Director and Finance Director were both members of the CNPP to 31 March 2016.

8 Employee costs

Michael R A Smith was the only employee of Uranium Asset Management Limited. There are no other persons employed under contract of service. On 1 April 2010 Uranium Asset Management Limited employees were transferred to its parent company Westinghouse Electric UK Holdings Limited. Employee costs reported in the year (note 6) were for severance costs agreed to be paid by Uranium Asset Management Limited.

9 Interest receivable and similar income

	2016	2015
	£ 000	£ 000
Interest receivable from group undertakings	**1,371**	1,304
Bank interest	**529**	520
Net interest in respect of defined benefit scheme	**18**	78
Other interest	**2**	-
Foreign exchange gains	**-**	124
	1,920	2,026

10 Interest payable and similar charges

	2016	2015
	£ 000	£ 000
Interest payable to group undertakings	**2,551**	2,438
Foreign exchange losses	**36**	-
	2,587	2,438

11 Tax on loss on ordinary activities

a) Tax credited for the loss in year in the profit and loss account:

	2016 £ 000	2015 £ 000
Current tax		
UK corporation tax	(1,316)	(616)
UK corporation tax adjustment to prior periods	-	(39)
	(1,316)	(655)
Foreign tax		
Current tax on income for the period	558	485
Foreign tax adjustment to prior periods	-	(81)
	558	404
Total current income tax	(758)	(251)
Deferred tax		
Arising from origination and reversal of temporary differences	52	37
Arising on transition to IFRS	-	(769)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	14	28
Total deferred tax	66	(704)
Tax credit in the profit and loss account	(692)	(955)

b) The tax on loss before tax for the year is lower than the standard rate of corporation tax in the UK (2015: lower than the standard rate of corporation tax in the UK) of 20% (2015: 21%).

The tax credit for the year can be reconciled to the loss in the profit and loss account as follows:

	2016 £ 000	2015 £ 000
Loss before tax	(6,229)	(4,813)
Corporation tax at standard rate	(1,246)	(1,011)
Tax under/(over) provided in prior periods	14	(92)
Decrease from effect of expenses not deductible in determining taxable tax loss	-	(439)
Increase from effect of foreign tax rates	558	485
Rate change adjustment arising on deferred tax	(18)	102
Tax credit for the year	(692)	(955)

11 Tax on loss on ordinary activities (continued)

Factors that may affect future tax charges

Reductions in the corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. A further reduction in the corporation tax rate to 17%, to be effective from 1 April 2020, was announced in the Chancellor's 2016 budget. This has not yet been substantively enacted and hence has not been applied.

c) Deferred tax

	2016	2015
	£ 000	£ 000
Derivatives	**(688)**	(769)
Pension costs	**236**	(40)
Included in debtors (note 16)	**(452)**	(809)

The movement in deferred tax is analysed as follows:

	£ 000
At 1 April 2015	(809)
Amount charged to the profit and loss account	65
Amount charged to the statement of comprehensive income	292
At 31 March 2016	(452)

12 Discontinued operations

On 9 February 2016 the board approved to sell the transport business to Springfields Fuels Limited on 1 April 2016. The resultant gain or loss on disposal will be recognised within the income statement in 2017. As at 31 March 2016 the negotiations for sale had been agreed and therefore the transport business was classified as held for sale.

The major classes of assets and liabilities of the business as at 31 March 2016 were as follows:

	2016
	£ 000
Assets	
Stocks	638
Debtors: amounts falling due within one year	1,773
Cash at bank and in hand	527
Assets held for sale	2,938
Liabilities	
Creditors	348
Liabilities: amounts falling due within one year	348
Net assets of transport business held for sale	**2,590**

Notes to the financial statements (continued)
For the year ended 31 March 2016

13 Investments

	Shares in Associate Undertaking £ 000
Cost or valuation	
At 1 April 2015	1,063
At 31 March 2016	**1,063**
Provision	
At 1 April 2015	-
At 31 March 2016	-
Carrying amount	
At 31 March 2016	**1,063**
At 31 March 2015	1,063

Details of the company's investments as at 31 March 2016 are as follows:

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2016	2015
Advance Uranium Asset Management Limited	Nuclear Activities	United Kingdom	**40%**	40%

The investment in associate is stated at cost less provision for impairment.

14 Stocks

	2016 £ 000	2015 £ 000
Raw materials and consumables	**94,369**	93,879

The replacement value of stocks is valued at £115,247,000 (2015: £150,933,000) as per Tradetech published spot prices.

Notes to the financial statements (continued)
For the year ended 31 March 2016

15 Debtors: amounts falling due within one year

	2016 £ 000	2015 £ 000
Amounts owed by group undertakings	**4,690**	3,768
Corporation tax	**209**	475
Other taxes	**409**	58
Other debtors and prepayments	**-**	2
	5,308	4,303

16 Debtors: amounts falling due after one year

	2016 £ 000	2015 £ 000
Deferred tax (note 11)	**452**	809
	452	809

17 Creditors: amounts falling due within one year

	2016 £ 000	2015 £ 000
Trade creditors	**3**	709
Amounts owed to group undertakings	**36**	38
Amounts owed to group undertakings in which the company has a participating interest	**172**	29
Accruals and deferred income	**250**	444
Derivative financial instruments (see note 19)	**8,829**	4,064
	9,290	5,284

18 Creditors: amounts falling due after more than one year

	2016 £ 000	2015 £ 000
Amounts owed to group undertakings	**218,182**	218,182

Amounts owed to group undertakings comprise an unsecured funding loan from Toshiba Nuclear Energy Holdings UK Limited which will mature on 31 March 2026. The interest rate applied by Toshiba is charged on the basis of GBP LIBOR plus 45 basis points.

19 Derivative financial instruments

The derivative financial liabilities relate to four forward currency hedging contracts that are designated and not effective as hedging instruments are carried at fair value.

Notes to the financial statements (continued)
For the year ended 31 March 2016

20 Called-up share capital

Authorised shares	**2016 No.**	**2016 £ 000**	2015 No.	2015 £ 000
Ordinary shares of £1 each	**50,000,000**	**50,000**	50,000,000	50,000

Allotted, called-up and fully paid shares

	2016 No.	**2016 £ 000**	2015 No.	2015 £ 000
Ordinary shares of £1 each	**48,715,457**	**48,715**	48,715,457	48,715

21 Retirement benefit schemes

Defined contribution scheme

The company has one defined contribution scheme as follows:

	2016 £ 000	2015 £ 000
Group Pension Scheme:		
Cost for the year	**36**	36
Outstanding or prepaid contributions at 31 March	**-**	-

Defined benefit pension schemes

The Group Pension Scheme (GPS)

During the year the company participated in the Group Pension Scheme UAM/WEC section of the Combined Nuclear Pension Plan (CNPP), a defined benefit pension scheme which requires contributions to be made to separately administered funds.

A full actuarial valuation of the UAM/WEC section was carried out at 31 March 2013 and the company's share of assets and liabilities updated to 31 March 2016 by a qualified independent actuary.

21 Retirement benefit schemes (continued)

Reconciliation of scheme assets and liabilities to assets and liabilities recognised in the balance sheet

The amounts recognised in the balance sheet are as follows:

	2016 £ 000	2015 £ 000
Cash and cash equivalents	169	-
Equity instruments	5,116	5,169
Debt instruments	9,031	8,952
Real estate	1,143	1,034
Other	2,054	2,107
Fair value of scheme assets	17,513	17,262
Present value of scheme liabilities	(16,204)	(17,389)
Defined benefit pension scheme asset/(deficit)	1,309	(127)

Amounts recognised in the profit and loss account

	2016 £ 000	2015 £ 000
Amounts recognised in operating profit:		
Current service cost	503	393
Recognised in arriving at operating profit	503	393
Amounts recognised in finance income or costs:		
Interest income on pension scheme assets	(590)	(688)
Interest expense on defined benefit obligations	572	610
Net interest income	(18)	(78)
Defined benefit cost recognised in the profit and loss account	485	315

Amounts taken to the statement of comprehensive income

	2016 £ 000	2015 £ 000
Effects of changes in demographic assumptions	(703)	296
Effects of changes in financial assumptions	(1,321)	3,125
Return on plan assets, excluding amounts included in interest income/(expense)	531	(1,517)
Total remeasurements recognised in the statement of comprehensive income	(1,493)	1,904

Notes to the financial statements (continued)
For the year ended 31 March 2016

21 Retirement benefit schemes (continued)

Principal actuarial assumptions

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the balance sheet date are as follows:

	2016 %	2015 %
Discount rate	**3.65**	3.40
Rate of salary increase	**2.90**	3.00
Rate of price inflation	**2.90**	3.00
Rate of pension increases/deferred increases	**2.90**	3.00

The significant actuarial assumptions used to determine the present value of the defined benefit cost at the balance sheet date are as follows:

	2016 %	2015 %
Discount rate	**3.40**	4.60
Rate of salary increase	**3.00**	3.30
Rate of price inflation	**3.00**	3.30
Rate of pension increases/deferred increases	**3.00**	3.30

Post retirement mortality assumptions

	2016 Years	2015 Years
Assumed life expectations on retirement at age 65:		
Current UK pensioners at retirement age - male	**22.30**	23.40
Retiring in 20 years UK pensioners at retirement age - male	**24.00**	25.20

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	2016 £ 000	2015 £ 000
Present value at start of year	**17,389**	13,166
Service cost:		
Current service cost	**503**	393
Effects of changes in demographic assumptions	**(703)**	296
Effects of changes in financial assumptions	**(1,321)**	3,125
Interest expense	**572**	610
Benefits paid from plan assets	**(307)**	(269)
Participants contribution	**71**	68
Present value at end of year	**16,204**	17,389

Notes to the financial statements (continued)
For the year ended 31 March 2016

21 Retirement benefit schemes (continued)

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2016 £ 000	2015 £ 000
Fair value at start of year	17,262	14,844
Interest income	590	688
Return on plan assets, excluding amounts included in interest (expense)/income	(531)	1,517
Employer contributions	428	414
Benefits paid from plan assets	(307)	(269)
Participants contributions	71	68
Fair value at end of year	17,513	17,262

Analysis of obligation

Defined benefit obligation by status:

	2016 £ 000	2015 £ 000
Actives	13,355	14,458
Vested deferreds	1,314	1,423
Retirees	1,535	1,508
	16,204	17,389

Analysis of assets

The major categories of scheme assets are as follows:

	2016 £ 000	2015 £ 000
Cash and cash equivalents	169	-
Equity instruments	5,116	5,169
Debt instruments	9,031	8,952
Real estate	1,143	1,034
Other	2,054	2,107
	17,513	17,262

Actual return on plan assets

	2016 £ 000	2015 £ 000
Actual return on plan assets	59	2,205

Notes to the financial statements (continued)
For the year ended 31 March 2016

21 Retirement benefit schemes (continued)

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

The amount included in the balance sheet arising for the company's obligations in respect of its defined benefit retirement benefit scheme is as follows:

	2016	2015
	£ 000	£ 000
Benefit obligation at end of year	**16,204**	17,389
Fair value of plan assets at end of year	**(17,513)**	(17,262)
Funded status	**(1,309)**	127
Experience adjustments arising on scheme assets	**(531)**	1,517
Experience gains and losses on scheme liabilities	**2,024**	(3,421)
	1,493	(1,904)

The CNPP scheme was treated as a defined contribution scheme until 31 March 2008 as the company had not been able to identify its share of assets and liabilities until the sectionalisation of the CNPP was completed in March 2008. At 31 March 2012 the GPS scheme was transferred to the CNPP scheme.

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income, is a net gain of £348,000 (2015: net loss of £1,145,000).

22 Contingent liabilities

Under the terms of the Westinghouse Cash Pooling Agreement described in the Directors' report, the company has entered into unconditional, irrevocable, joint and several guarantees to and in favour of the bank in connection with the payment by the other subsidiaries of the amounts due to the bank under the arrangement. At 31 March 2016, the aggregate amount due to the bank under the arrangement was $180,000,000, converted to £125,130,000 using the year end GBP/USD exchange rate of 1.4385 (2015: due to the bank $100,000,000 converted to £67,595,000 using the year end GBP/USD exchange rate of 1.4794).

The company's cash at bank balance has been pledged as security in respect of the amounts due by other group undertakings under the arrangement.

23 Controlling party

The company is a subsidiary undertaking of Westinghouse Electric UK Holdings Limited and the ultimate parent company is Toshiba Corporation. Westinghouse Electric UK Holdings Limited is a subsidiary undertaking of Toshiba Nuclear Energy Holdings (UK) Limited which is owned in the following proportions:

87% Toshiba Corporation
10% National Atomic Company Kazatomprom JSC
3% IHI Corporation

The smallest and largest group in which the results of the company are consolidated is that headed by Toshiba Corporation, a company incorporated in Japan. No other group financial statements include the results of the company. The consolidated financial statements of the group are available to the public and may be obtained from the head office of the Toshiba Corporation in Japan. The head office address is Toshiba, 1-1, Shibaura 1-chome, Minato-ku, Tokyo 105-8001, Japan.

24 Non adjusting events after the financial period

Uranium Asset Management's internal transport business was sold to Springfields Fuels Limited on 1 April 2016. The sale triggered a change in functional currency for the company from GBP to USD, as per IAS 21 The Effects of Foreign Exchange.

On 1 June 2016 Linda M Aylmore resigned as a director and Steven R Hart was appointed.

On 31 August 2016 Michael R A Smith resigned as managing director and Angela T Darkey was appointed.

25 Transition to FRS 101

This is the first year that the company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 March 2015 and the date of transition to FRS 101 was therefore 1 April 2014. As a consequence of adopting FRS 101, an adjustment of £4,064,000 as at 31 March 2015 from profit and loss account to derivative financial instruments was identified and an interest income, net of deferred tax of £68,000 from profit and loss account to actuarial loss recognised on defined benefit pension scheme in the statement of comprehensive income.

Derivative financial instruments
Under previous UK GAAP the company did not account for derivative financial instruments in the financial statements. They were only disclosed within the notes to the accounts. Under FRS 101 the company is required to account for in the financial statements all derivative financial instruments which were open and had not been settled at the year end date. The derivative financial instruments are held at fair value at each year end date. This change in accounting policy has resulted in a decrease to retained earnings of £9,000 at 1 April 2014 and an increase in retained earnings of £9,000 at 31 March 2015.

Defined benefit scheme
Under previous UK GAAP the company recognised an expected return on defined benefit plan assets in the profit and loss account. Under FRS 101 a net interest expense, based upon the net defined benefit liability, is recognised in the profit and loss account. There has been a change in the defined benefit liability at 1 April 2014 and 31 March 2015 due to its reclassification of deferred tax which cannot be netted off against the pension asset/(liability) as per IAS 12 Taxation. This has resulted in an increase of the pension asset of £336,000 in the year ended 31 March 2014 and an increase to the pension liability of £25,000 in the year ended 31 March 2015. The effect of the change has been to reduce the credit to the profit and loss account in the year to 31 March 2015 by £85,000 and increase the credit in other comprehensive income by an equivalent amount. The reduced credit to the profit and loss account has also led to the recognition of a reduced deferred tax expense in the year to 31 March 2015 by £17,000 and an increase to the credit in other comprehensive income by an equivalent amount.

Notes to the financial statements (continued)
For the year ended 31 March 2016

25 Transition to FRS 101 (continued)

Balance sheet at 1 April 2014

	As originally reported £ 000	Remeasurement £ 000	As restated £ 000
Fixed assets			
Investments	1,063	-	1,063
Current assets			
Stocks	93,745	-	93,745
Debtors: amounts falling due within one year	7,868	(43)	7,825
Cash at bank and in hand	161,293	-	161,293
Total current assets	262,906	(43)	262,863
Creditors: amounts falling due within one year	(807)	(302)	(1,109)
Net current assets	262,099	(345)	261,754
Creditors: amounts falling due after more than one year	(218,182)	-	(218,182)
Pension asset	1,342	336	1,678
Net assets	46,322	(9)	46,313
Capital and reserves			
Called-up share capital	48,715	-	48,715
Cash flow hedging reserve	-	(9)	(9)
Profit and loss account	(2,393)	-	(2,393)
Total shareholder's funds	46,322	(9)	46,313

Notes to the financial statements (continued)
For the year ended 31 March 2016

25 Transition to FRS 101 (continued)

Balance sheet at 31 March 2015

	As restated £ 000	Remeasurement £ 000	As restated £ 000
Fixed assets			
Investments	1,063	-	1,063
Current assets			
Stocks	93,879	-	93,879
Debtors: amounts falling due within one year	4,303	-	4,303
Debtors: amounts falling due after one year	40	769	809
Cash at bank and in hand	164,497	-	164,497
Total current assets	262,719	769	263,488
Creditors: amounts falling due within one year	(1,229)	(4,055)	(5,284)
Net current assets	261,490	(3,286)	258,204
Creditors: amounts falling due after more than one year	(218,182)	-	(218,182)
Pension liability	(127)	-	(127)
Net assets	44,244	(3,286)	40,958
Capital and reserves			
Called-up share capital	48,715	-	48,715
Cash flow hedging reserve	(9)	9	-
Profit and loss account	(4,462)	(3,295)	(7,757)
Total shareholder's funds	44,244	(3,286)	40,958

Notes to the financial statements (continued)
For the year ended 31 March 2016

25 Transition to FRS 101 (continued)

Profit and loss account for the year ended 31 March 2015

	As originally reported £ 000	Remeasurement £ 000	As restated £ 000
Turnover	7,144	-	7,144
Net operating costs and expenses	(7,481)	(4,064)	(11,545)
Operating loss before interest and taxation	(337)	(4,064)	(4,401)
Interest receivable and similar income	2,111	(85)	2,026
Interest payable and similar charges	(2,438)	-	(2,438)
Loss on ordinary activities before taxation	(664)	(4,149)	(4,813)
Tax on loss on ordinary activities	186	769	955
Loss for the financial year	(478)	(3,380)	(3,858)