

ENRICHMENT INVESTMENTS LIMITED

Registered No. 4223635

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2015

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COMPANIES HOUSE

Enrichment Investments Limited

COMPANY INFORMATION

DIRECTORS

R Nourse

A Odgers

AUDITORS

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

REGISTERED OFFICE

1 Victoria Street

London

SW1H 0ET

Enrichment Investments Limited

STRATEGIC REPORT

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

RESULTS

The profit for the year, after taxation, amounted to £80,067,000 (2014: £93,604,000). The profit for the year relates to dividends receivable from its associated undertaking, URENCO Limited.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

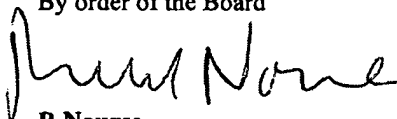
The Company's principal activity in the year was as a holding company for investments in an associated undertaking, URENCO Limited. The Company owns 33.3% of URENCO Limited. URENCO's main activity is the provision of a service to enrich uranium to provide fuel for nuclear power utilities, by enriching uranium provided by its customers.

On 22 April 2013 the Business and Energy Minister announced "that the government is proceeding with plans to sell some or all of its one-third shareholding in the uranium enrichment company URENCO." HMG remains in discussion with the other URENCO stakeholders on the basis of any such sale.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors believe that the principal risk to the Company is the performance of URENCO Limited which is regularly monitored by the Directors.

By order of the Board



R Nourse
Director

8 September 2015

Enrichment Investments Limited

DIRECTORS' REPORT

The Directors present their directors' report and financial statements for the financial year ended 31 March 2015.

DIVIDENDS

During the year, interim dividends of £91,761,000 (2014: £76,032,000) were declared.

An interim dividend of £81,407,000 was paid after the year end.

DIRECTORS

The Directors who served during the year were as follows:

R Nourse
A Odgers

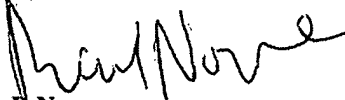
DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to reappoint Comptroller and Auditor General as the auditor will be proposed at the annual general meeting.

By order of the Board



R Nourse
Director

8 September 2015

Enrichment Investments Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments 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.

Enrichment Investments Limited

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ENRICHMENT INVESTMENTS LIMITED

I have audited the financial statements of Enrichment Investment Limited for the year ended 31 March 2015 which comprise the Profit and Loss Account, Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of the directors and the auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

My responsibility is to audit and express an opinion on the financial statements. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board'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 I read all the financial and non-financial information in the Strategic Report and Directors' Report 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 me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2015 and of the profit for the year then ended; and
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which I report by exception

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.



Matthew Kay (Senior Statutory Auditor)

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)

National Audit Office

157-197 Buckingham Palace Road

London

SW1W 9SP

28 October 2015

Enrichment Investments Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2015

	<i>Notes</i>	2015 £000	2014 £000
OPERATING PROFIT	2	-	-
Profit before investment income, interest and taxation		-	-
Income from participating interests	5	82,001	93,695
Interest payable and similar charges	6	(1,934)	(91)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		80,067	93,604
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR	12	80,067	93,604

The results for the year relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 March 2015

There were no material gains or losses in 2015 or 2014 other than the profit and therefore no statement of recognised gains or losses is presented.

Enrichment Investments Limited


BALANCE SHEET

At 31 March 2015

Registered No. 4223635

	Notes	2015 £000	2015 £000	2014 £000	2014 £000
FIXED ASSETS					
Investments	9		446,264		446,264
DEBTORS: amounts falling due within one year	10	82,001		93,695	
CREDITORS: amounts falling due within one year					
NET CURRENT ASSETS			82,001		93,695
NET ASSETS			528,265		539,959
CAPITAL AND RESERVES					
Called up share capital	11		129,077		129,077
Profit and loss account	12		399,188		410,882
EQUITY SHAREHOLDERS' FUNDS	13		528,265		539,959

These financial statements were approved by the Board of Directors on 8 September 2015 and were signed on its behalf by:-


R Nourse
Director

Enrichment Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

At 31 March 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

On 22 April 2013 the Business and Energy Minister announced "that the government is proceeding with plans to sell some or all of its one-third shareholding in the uranium enrichment company URENCO."

The directors have assessed the company's ability to continue as a going concern in light of UK government plans, and have concluded that it remains appropriate for the financial statements to be prepared on a going concern basis. In drawing this conclusion the directors have specifically noted that HMG remains in discussion with other URENCO stakeholders on the basis of any such sale.

Group accounts

As at 31 March 2015 the Company was a wholly owned subsidiary of Enrichment Holdings Limited which prepares and files consolidated accounts. The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

Investments

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

Cash flow statement

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that Enrichment Holdings Limited includes the Company in its own published consolidated financial statements.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

2. NET OPERATING COSTS AND EXPENSES

The audit fees in respect of the year ended 31 March 2015 of £6,000 (2014: £6,000) have been met by Enrichment Holdings Limited.

3. DIRECTORS' EMOLUMENTS

The Directors received no emoluments during the year (2014: £nil).

4. EMPLOYEE INFORMATION

The Company had no employees during the year (2014: £nil).

5. INCOME FROM PARTICIPATING INTERESTS

	2015 £000	2014 £000
Dividend income from associated undertaking	<u>82,001</u>	<u>93,695</u>

Enrichment Investments Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) At 31 March 2015

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £000	2014 £000
Foreign exchange losses	<u>1,934</u>	<u>91</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no current or deferred tax charge or credit for the current year or prior year.

	2015 £000	2014 £000
Profit on ordinary activities before taxation	<u>80,067</u>	<u>93,604</u>
Tax on profit at 21% (2014: 23%)	16,814	21,529
<i>Effects of:</i>		
Items not chargeable for tax purposes	(16,814)	(21,529)
Current tax charge for the year	<u>-</u>	<u>-</u>

Future changes in the corporation tax rate

Following announcements in the Budget of 19 March 2015, the full rate of corporation tax is to be reduced by 1% from April 2015 to 20%.

8. DIVIDENDS PAID

The aggregate amount of dividends paid comprises:

	2015 £000	2014 £000
<i>Declared and paid during the year</i>		
First Interim dividend - £0.36104 (2014: £0.58904) per share	46,603	76,032
Second Interim dividend - £0.34985 (2014: £nil) per share	45,158	-
	<u>91,761</u>	<u>76,032</u>

9. INVESTMENTS

Cost	Shares in Associated Undertaking s £000
At 1 April 2014 and 31 March 2015	<u>446,264</u>

The undertakings in which the Company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of share held
<i>Associated undertakings</i>			
URENCO Limited	England	Supply of enriched uranium	33% ordinary shares

Enrichment Investments Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) At 31 March 2015

10. DEBTORS

	2015 £000	2014 £000
Amounts owed by participating interest	<u>82,001</u>	<u>93,695</u>

11. SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid: 129,077,404 ordinary shares of £1 each	<u>129,077</u>	<u>129,077</u>

12. RESERVES

	Profit and loss account £000
At 1 April 2014	410,882
Profit for the year	80,067
Dividends paid	(91,761)
At 31 March 2015	<u>399,188</u>

13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS FUNDS

	2015 £000	2014 £000
Profit for the financial year	80,067	93,604
Dividends payable	(91,761)	(76,032)
Net movement to shareholders funds	<u>(11,694)</u>	<u>17,572</u>
Opening shareholders' funds	<u>539,959</u>	<u>522,387</u>
Closing shareholders' funds	<u>528,265</u>	<u>539,959</u>

14. RELATED PARTY TRANSACTIONS

The Company, being a wholly owned subsidiary of Enrichment Holdings Limited, has taken advantage of the exemption from the disclosure requirements as available in para.3(c) of FRS 8.

15. POST BALANCE SHEET EVENTS

An interim dividend of £81,407,000 (2014: £46,603,000) was declared on 8 September 2015.

Enrichment Investments Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 March 2015

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At 31 March 2015 the Company was a subsidiary of Enrichment Holdings Limited. The largest and smallest group in which the results of the Company are consolidated is that headed by Enrichment Holdings Limited which is a company incorporated in England. The consolidated financial statements of these groups are available to the public and may be obtained from 1 Victoria Street, London, SW1H 0ET.

On 26 March 2013 the Company's ultimate controlling party changed from the Department for Energy and Climate Change to the Department for Business, Innovation and Skills, a department of Her Majesty's Government.