Registered number
05597709

UKAEA Limited

Annual Report and Financial Statements

Year ended 31 March 2013

Contents

Directors' report

The Directors present their annual report and the audited financial statements of UKAEA Limited ("UKAEA") for the year ended 31 March 2013

Principal activities

UKAEA Limited (UKAEA) is the Parent Body Organisation (PBO) of Research Site Restoration Limited (RSRL) which is managed under contract to the Nuclear Decommissioning Authority (NDA) Until 1 July 2012, UKAEA also provided a range of specialist, knowledge-based outsourced solutions to customers overseas and, up to 6 December 2012, had a pension's administration business providing pensions administration services to current and former employees

Business review

On 1 April 2012, as part of the on-going reorganisation within the various Babcock nuclear statutory entities, the trade and assets of UKAEA's UK nuclear business were transferred to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited) Also at this date, ownership of Dounreay Site Restoration Limited (DSRL) was transferred to Cavendish Dounreay Partnership Limited (formerly Babcock Dounreay Partnership Limited) which is the new DSRL Parent Body Organisation (PBO)

UKAEA continues to be the PBO for Research Site Restoration Limited (RSRL) On 1 July 2012 the Company's overseas contracts were transferred to Cavendish Nuclear (Overseas) Limited (formerly Babcock Nuclear Limited), and on 6 December 2012, the Company's pensions administrations business was sold to AON Hewitt

Site management

During the year, UKAEA was the Parent Body Organisation (PBO) of Research Sites Restoration Limited (RSRL) which is managed under contract to the Nuclear Decommissioning Authority (NDA) RSRL is the Site Licence Company (SLC) for the nuclear licensed sites at Harwell and Winfrith Their responsibilities include determining the overall strategy for site decommissioning, project planning, supply chain management, stakeholder engagement and programme delivery As the PBO, UKAEA received fees based on the achievement by the SLC of performance based incentives and value for money savings

Projects and consultancy

UKAEA provides a range of technical consultancy services in the areas of nuclear decommissioning, waste management and environmental site remediation, together with, until 1 July 2012, supporting front-end engineering design and nuclear assurance and safety consultancy for a number of overseas projects Revenue and operating profit was significantly reduced in comparison to the prior year following the transfer of trade to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited)

Pensions administration

The pensions administration business manages and administers pension schemes in the nuclear sector The business has no associated pension liabilities and is solely focused on providing administrative services to clients The business has responsibility for the administration of six separate pension schemes

The pensions administration business was sold to AoN Hewitt on 6 December 2012

Directors' report

Future developments

There is NDA competition for the new PBO of RSRL and after the contract award UKAEA is expected to cease being the PBO of RSRL

Financial risk management

Due to the nature of its activities, UKAEA is not exposed to the same degree of financial risk faced by other business entities Financial instruments play a limited role in creating or changing risk and generally financial assets and liabilities are generated from day-to-day operational activities and not held to change the risks facing UKAEA in undertaking its activities The Company's main customers are in the public sector, both in the UK and internationally, and therefore UKAEA does not have significant exposure to price or credit risk

Results and dividends

UKAEA's profit for the year was £4 4 million (2011/12 – £5 4 million) as set out in the Profit and Loss Account on page 7, Operating profit was significantly reduced resulting from the transfer of trade to Cavendish Nuclear Limited (formerly BNS Nuclear Services Ltd) However, the result was favourably impacted by £3 6m on profit on the sale of the pensions business

The Directors do not propose the payment of a dividend (2012- Nil)

Charitable donations

During the year UKAEA made charitable donations of £Nil (2011/12 - £40,986) to local charities and organisations serving the communities in which UKAEA operates

Directors

The Directors who held office throughout the year unless otherwise noted are shown below

Kenneth Douglas
Graham Leeming
Franco Martinelli

Qualifying third party indemnity provision

Under the Articles of Association, the Directors of UKAEA are, and were during the year ended 31 March 2013, entitled to be indemnified by UKAEA against liabilities and costs incurred in connection with the execution of their duties or the exercise of their powers, to the extent permitted by the Companies Act 2006

Directors' report

Employees

All employees were transferred to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited) on 1 April 2012 and AON Hewitt on 6 December 2012 Prior to this, policies for employee welfare were as outlined below

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with UKAEA continues and the appropriate training is arranged It is the policy of UKAEA that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability

Consultation with employees and their representatives occurs at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of UKAEA

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution to reappoint them as auditors will be proposed at the next annual general meeting

Disclosure of information to the 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 auditors are unaware, and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006

By order of the Directors

Kenneth Douglas
Director

20/12/2013

Statement of Directors' responsibilities

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

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

In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Directors are responsible for the maintenance and integrity of the Company's web site Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Independent auditors' report

Independent auditors' report to the members of UKAEA Limited

We have audited the financial statements of UKAEA Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

As explained more fully in the statement of Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report

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

Phil Harrold

Phil Harrold (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

20 December 2013

Profit and loss account

For the year ended 31 March 2013

	Note	Discontinued operations 2013 £000	Continuing operations 2013 £000	Total 2013 £000	2012 £000
Turnover	4	2,576	4,268	6,844	30,425
Cost of sales		(1,249)	(3,104)	(4,353)	(14,798)
		1,327	**1,164**	**2,491**	**15,627**
Administrative expenses		(1,228)	(1,001)	(2,229)	(7,024)
Selling and marketing costs		-	-	-	(3,108)
Restructuring costs		-	-	-	(497)
Other operating income	5	499	-	499	460
		(729)	**(1,001)**	**(1,730)**	**(10,169)**
Operating profit	8	**598**	**163**	**761**	**5,458**
Profit on sale of Pensions Administration business		3,609	-	3,609	-
Other financing charge		-	-	-	(27)
Profit on ordinary activities before taxation		**4,207**	**163**	**4,370**	**5,431**
Tax on profit on ordinary activities	9	-	(5)	(5)	(27)
Profit for financial the year	22	**4,207**	**158**	**4,365**	**5,404**

There are no recognised gains or losses for the financial year other than the profit for the year

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents

The notes on pages 9 to 21 are an integral part of these financial statements

Balance sheet

at 31 March 2013

	Note	2013 £000	2012 £000
Fixed assets			
Tangible assets	10	-	238
Investments	11	-	-
		-	**238**
Current assets			
Debtors amounts falling due within one year	13	70,295	29,619
Debtors amounts falling due after more than one year	14	-	198
Cash at bank and in hand		-	10,136
		70,295	39,953
Creditors amounts falling due within one year	15	(31,012)	(5,943)
Net current assets		**39,283**	**34,010**
Total assets less current liabilities		**39,283**	**34,248**
Creditors amounts falling due after more than one year	16	-	(98)
Provisions for liabilities	18	(2,043)	(1,275)
Net assets		**37,240**	**32,875**
Capital and reserves			
Called up share capital	21	15,050	15,050
Profit and loss account	22	22,190	17,825
Total shareholder's funds	23	**37,240**	**32,875**

The notes on pages 9 to 21 are an integral part of these financial statements

The financial statements on pages 7 to 21 were approved by the Directors and signed on their behalf by

Kenneth Douglas
Director
20/12/2013

Notes to the financial statements

for the year ended 31 March 2013

1 General information

UKAEA Limited ("UKAEA") is a limited Company incorporated in England and Wales The address of its registered office is 33 Wigmore Street, London W1U 1QX UKAEA is a wholly owned subsidiary of Babcock International Group plc

2 Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards The following accounting policies have been consistently applied to matters that are considered material to the financial statements

The financial statements contain information about UKAEA as an individual Company and do not contain consolidated financial information as the parent of a group UKAEA is exempt under S402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the Directors consider that Research Sites Restoration Limited should be excluded from consolidation UKAEA held the entire issued share capital of this Company during the year but was restricted in its ability to exercise control over the Company under the terms of the Parent Body Agreement with the Nuclear Decommissioning Authority Consequently, it has not been consolidated as a subsidiary in these financial statements and is instead included as investments at cost

UKAEA is a wholly-owned subsidiary of Babcock International Group plc and is included in the financial statements of that Company which are publicly available Consequently, UKAEA has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 UKAEA is also exempt under the terms of FRS 8 from disclosing related party transactions with the Babcock Group

3 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below

3 1 Turnover

Turnover is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will be received and when specific criteria have been met as described below The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved Revenue is shown net of value added tax, returns, rebates and discounts

Revenue from the site management contract is recognised to the extent of the amounts receivable from the Site Licence Company (SLC) in respect of the annual performance based incentives (PBI) and efficiency savings achieved As the amounts receivable are subject to agreement with NDA, the amount recognised in the financial statements is an estimate based on UKAEA's and SLCs' assessment of the PBIs and efficiency savings achieved during the year together with any adjustment to prior year fee estimates

3 Significant accounting policies (continued)

3 1 Turnover (continued)

Revenue from service contracts is recognised under the percentage-of-completion method Revenue is generally recognised based on the services performed to date as a percentage of the total services to be performed

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised These revisions may result in increases or decreases in estimated revenues or costs and are reflected in turnover in the year in which the circumstances that give rise to the revision become known

3 2 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised in the year in which the related service is provided A liability is recognised for the amount expected to be paid under short-term bonus arrangements if UKAEA has a present legal or constructive obligation to pay this amount as a result of past service provided by employees and the obligation can be estimated reliably

(b) Retirement benefits

Obligations for contributions to defined contribution schemes are recognised as an expense when they are due UKAEA has no further payment obligations once the contributions have been paid

UKAEA participates in a multi-employer defined benefit scheme It is not possible to determine UKAEA's share of any underlying assets and liabilities in the schemes on a consistent and reasonable basis and the schemes are accounted for as a defined contribution schemes in these financial statements Further details of the scheme are included in Note 19

3.3 Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of UKAEA using the exchange rates at the dates of the transactions Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency using the exchange rates at that date Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities are recognised in the profit and loss account

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows

3 Significant accounting policies (continued)

3.4 Tangible fixed assets (continued)

– Freehold buildings	up to 15 years
– Plant and equipment	up to 5 years
– IT equipment	up to 5 years
– Furniture and fittings	up to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount The recoverable amount is the higher of an asset's realisable value less costs to sell and value in use For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows Fixed assets that suffered impairment are reviewed for possible reversal of the impairment at each year end

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and any amounts to be released from deferred income on disposal and are recognised in the profit and loss account

3.5 Work in progress

Work in progress is stated at the lower of cost and net realisable value The cost of work in progress comprises raw materials, direct labour, other direct costs and related production overheads Net realisable value is the estimated realisable value in the ordinary course of business, less applicable selling expenses

3.6 Current and deferred tax

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between UKAEA's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

No deferred tax is provided on timing differences arising from the revaluation of fixed assets unless, by the balance sheet date, a binding commitment to sell the asset has been entered into and it is unlikely that any gain will be rolled over

Deferred tax assets are recognised only to the extent that it is probable that there will be suitable taxable profit from which the future reversal of the timing differences can be deducted

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled Deferred tax is measured on a non-discounted basis

3 Significant accounting policies (continued)

3 7 Provisions

Provisions are recognised when UKAEA has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using real rates of interest The increase in the provision due to passage of time is recognised as a finance charge

3.8 Operating leases

Payments made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease Lease incentives are recognised as an integral part of the total lease expense over the term of the lease

4 Turnover

(a) Geographical analysis

	2013 £000	2012 £000
United Kingdom	6,434	27,078
Europe	230	2,937
Other	180	410
	6,844	**30,425**

5 Other operating income

	2013 £000	2012 £000
Overheads recharged to group undertakings	-	126
Recharge of Government Actuary's Department costs	236	226
Release from deferred income	251	83
Other income	12	25
	499	**460**

6 Staff costs

	2013 £000	2012 £000
Wages and salaries	737	7,986
Social security costs	74	968
Other pension costs (Note 19)	234	2,678
	1,045	**11,632**

Average monthly number of employees

	2013	2012
Operations	22	143
Administration	4	26
	26	**169**

All employees were transferred to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited) on 1 April 2012 and AoN Hewitt on 6 December 2012

7 Directors' emoluments

The remuneration of Kenneth Douglas, Graham Leeming and Franco Martinelli was incurred by other Babcock Group companies and no part of their remuneration was attributed to services in respect of UKAEA Limited

8 Operating profit

Operating profit has been arrived at after charging/(crediting)

	2013 £000	2012 £000
Depreciation of tangible fixed assets	55	100
Net foreign exchange losses	5	42
Operating lease rentals payable		
– Plant and machinery	-	50
– Other assets	6	483
Audit fees	18	25

Notes to the financial statements

For the year ended 31 March 2013

9 Tax on profit on ordinary activities

a) Analysis of charge in the year

	2013 £000	2012 £000
Current tax		
Current tax charge for the year	-	-
Foreign tax	-	26
	-	**26**
Deferred tax		
Origination and reversal of timing differences	18	(11)
Adjustment in respect of prior years	(14)	-
Impact of change in UK tax rate	1	12
	5	**1**
Total tax charge/(credit)	**5**	**27**

b) Factors affecting the current year charge

The difference between the total current year tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2013 £000	2012 £000
Profit on ordinary activities before taxation	4,370	5,431
Tax on profit on ordinary activities before taxation at the standard UK corporation tax rate of 24% (2012 – 26%)	1,049	1,412
Effects of		
– Timing differences	(18)	10
– Expenses not deductible for tax purposes	-	8
– Income not taxable for tax purposes	(927)	(776)
– Group relief received for nil consideration	128	(654)
– Foreign tax	-	26
– R & D tax credit	(232)	-
Current tax charge for the year	**-**	**26**

A number of changes to the UK Corporation tax system were announced in the March 2013 Budget Statement Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2013 Further reductions to the main rate are proposed to reduce the rate to 21% by 1 April 2014 These changes were substantially enacted on 2 July 2013 The impact of the changes is not expected to be material to the Balance Sheet

9 Taxation (continued)

The effect of the changes expected to be enacted in the Finance Act 2013 would be to reduce the deferred tax asset provided at the balance sheet date by £955 This £955 decrease in the deferred tax asset would decrease the profit by £955 This decrease in deferred tax asset is due to the reduction in the corporation tax rate from 23% to 21% with effect from 1 April 2014

10 Tangible fixed assets

	Freehold land and buildings £000	Plant and equipment £000	IT equipment £000	Furniture and fittings £000	Total £000
Cost					
At 1 April 2012	98	51	371	33	553
Additions	–	–	-	–	-
Disposals	(98)	(51)	(371)	(33)	(553)
At 31 March 2013	-	-	-	-	-
Depreciation					
At 1 April 2012	98	33	158	26	315
Charge for year	–	-	55	-	55
Disposals	(98)	(33)	(213)	(26)	(370)
At 31 March 2013	-	-	-	-	-
Net book value					
At 31 March 2013	–	-	-	-	-
At 1 April 2012	–	**18**	**213**	**7**	**238**

11 Investments

	£000
At 1 April 2012 and 31 March 2013	-

UKAEA's principal investments and proportion of shares held throughout the year were

Name	Country of incorporation	Nature of business	Proportion of shares held
Research Sites Restoration Limited	UK	Nuclear site licence company	100%

The proportion of voting rights held directly by UKAEA does not differ from the proportion of shares held

11 Investments (continued)

On 1 April 2012, UKAEA Limited transferred its holding in the Ordinary A £1 00 shares of Dounreay Site Restoration Limited to Cavendish Dounreay Partnership Limited (formerly Babcock Dounreay Partnership Limited), whilst retaining its £1 00 Ordinary B (non-voting) holding

12 Disposals

On 1 April 2012 the Company disposed of its UK trade, assets and liabilities to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited), another company in the Babcock Group, and on 6 December 2012 the Company disposed of its Pension Administration business to AoN Hewitt Limited

The assets and liabilities transferred are set out below

UKAEA Limited UK business	**Book value and fair value £'000**
Tangible fixed assets	65
Stocks	-
Debtors	25,856
Bank and cash	10,136
Creditors and other liabilities	(4,463)
Provisions	(1,229)
Net assets disposed	**30,365**
Consideration	30,365
Profit on sale	**-**

UKAEA Limited Pensions Administration business	**Book value and fair value £'000**
Tangible fixed assets	118
Net assets disposed	**118**
Costs	773
Warranty provision	2,000
Costs	**2,773**
Consideration	6,500
Profit on sale	**3,609**

13 Debtors: amounts falling due within one year

	2013 £000	2012 £000
Trade debtors	241	1,893
Amounts due from group undertakings	64,937	22,678
Prepayments and accrued income	13	4,695
Other debtors	5,093	353
Deferred tax (note 17)	11	-
	70,295	**29,619**

14 Debtors: amounts falling due after more than one year

	2013 £000	2012 £000
Deferred tax (Note 17)	-	159
Other debtors	-	39
	-	**198**

15 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	38	494
Amounts payable to group undertakings	30,308	1,313
Accruals	653	1,791
Deferred income	-	275
Tax and social security	10	189
Amounts payable for group relief	-	32
UK Corporation Tax payable	-	-
Other creditors	3	1,849
	31,012	**5,943**

16 Creditors: amounts falling due after more than one year

	2013 £000	2012 £000
Deferred income	-	98
Due within five years	-	98
Due after five years	-	-
	-	**98**

17 Deferred tax

The major components of the deferred tax asset recorded and the potential asset are as follows

	2013 £000	2012 £000
Accelerated capital allowances	–	–
Other short term timing differences	11	159
	11	**159**

The movement on the deferred tax asset is as follows

At 1 April 2012	159	160
Disposals	(143)	-
Current year movement	(18)	11
Adjustment in respect of prior years	14	-
Impact of change in UK tax rate	(1)	(12)
At 31 March 2013	**11**	**159**

18 Provisions for liabilities

	Restructuring £000	Continuing annual payments £000	Other £000	Total £000
At 1 April 2012	16	516	743	1,275
Increase in provision	-	-	2,000	2,000
Expenditure during year	–	(3)	–	(3)
Disposals	(16)	(470)	(743)	(1,229)
At 31 March 2013	**-**	**43**	**2,000**	**2,043**

The restructuring and other provisions were transferred to Cavendish Nuclear Limited (formerly BNS Nuclear Services Limited) as part of the sale of the UK trade, assets and liabilities

Continuing annual payments

On being made redundant, certain staff are entitled to receive their annual pension immediately and the amounts payable include a contribution from UKAEA The continuing annual payments provision comprises UKAEA's contribution to the annual pensions payable

Other provisions

A provision of £2m was established against the profit on disposal of the Pensions business to cover any potential warranty claims under the terms of the sale agreement for the business

Notes to the financial statements

For the year ended 31 March 2013

19 Retirement benefits

(a) Defined benefit schemes

UKAEA participates in the Babcock International Group Pension Scheme This is a scheme funded by payments to separate trustee-administered funds and the level of the Babcock Group's contributions to the schemes is assessed in accordance with the advice of independent, qualified actuaries The scheme is a group scheme and it is not possible to determine UKAEA's share of any underlying assets and liabilities in the scheme on a consistent and reasonable basis Accordingly, the scheme is accounted for as a defined contribution scheme in these financial statements Full details of the scheme, including assets and liabilities, are included in the financial statements of Babcock International Group plc which are publicly available

(b) Defined contribution schemes

Defined contribution schemes are available to staff who are not eligible for membership of the defined benefit scheme

20 Operating leases

	2013		2012	
	Property £000	Plant and equipment £000	Property £000	Plant and equipment £000
Annual commitment under non-cancellable operating leases expiring				
– Within one year	-	-	-	-
– Within two to five years	-	-	465	44
– After five years	-	-	-	-
	-	**-**	**465**	**44**

21 Called up share capital

	2013 £000	2012 £000
Authorised		
30,000,000 (2011/12 - 30,000,000) ordinary shares of £1 each	30,000	30,000
Allotted and fully paid		
15,050,000 (2011/12 – 15,050,000) ordinary shares of £1 each	15,050	15,050

22 Profit and loss account

	2013 £000	2012 £000
At 1 April	17,825	12,421
Profit for the year	4,365	5,404
At 31 March	**22,190**	**17,825**

23 Reconciliation of movements in shareholders' funds

	2013 £000	2012 £000
At 1 April	32,875	27,471
Profit for the year	4,365	5,404
At 31 March	**37,240**	**32,875**

24 Related-party transactions

Research Sites Restoration Limited (RSRL) is regarded as a related party by virtue of the fact that UKAEA owned the entire share capital in this company during the year As disclosed in Note 2, it is not consolidated in these financial statements due to the lack of control The Company's shares in Dounreay Site Restoration Limited (DSRL) were sold to Cavendish Dounreay Partnership Limited (formerly Babcock Dounreay Partnership Limited) on 1 April 2012, and therefore this company is no longer a related party of UKAEA Limited

Transactions with DSRL and RSRL are in the normal course of business and are disclosed below

	2013	2012	
	RSRL £000	**DSRL £000**	**RSRL £000**
Sales to DSRL and RSRL			
Site management	4,268	8,904	4,367
Technical consultancy	–	1,421	2,226
Pensions	–	42	10
Other operating income	–	–	–
	4,268	10,367	6,603
External costs recharged to DSRL and RSRL	220	1,793	454
Purchases from DSRL and RSRL	–	116	13
Amounts owed by DSRL and RSRL	572	981	1,368
Amounts owed to DSRL and RSRL	–	–	–

24 Related-party transactions (continued)

UKAEA is exempt under FRS 8 from disclosing details of transactions with entities that are part of the Babcock Group

No Director, key manager or other related party has undertaken any material transactions with UKAEA during the year

25 Contingent liabilities

At year end UKAEA had guaranteed or had joint and several liability for drawn Babcock International Group PLC bank facilities of £658 6 million provided to certain group companies (2012 – £731 8 million)

26 Ultimate parent undertaking

The immediate parent undertaking is Babcock Support Services (Investments) Limited

The ultimate parent undertaking and controlling party is Babcock International Group plc which is the parent company of the smallest and largest group to consolidate these financial statements Copies of Babcock International Group plc's consolidated financial statements can be obtained from Babcock International Group plc,33 Wigmore Street, London W1U 1QX