

# **Kelda Water Services Limited**

Annual Report and Financial Statements

Registered number 02180706

Year ended 31 March 2023

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## Directors and advisers

### Directors

L N Shaw  
P S Inman

### Company secretary

K O H Smith

### Independent auditor

Deloitte LLP  
Statutory Auditor  
1 City Square  
Leeds  
LS1 2AL

### Registered office

Western House  
Halifax Road  
Bradford  
West Yorkshire  
BD6 2SZ

### Bankers

National Westminster Bank PLC  
Leeds, City Office  
8 Park Row  
Leeds  
LS1 5HD

## Directors' report

The directors present their Annual Report and the audited Financial Statements of Kelda Water Services Limited (the company) for the year ended 31 March 2023.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

### Principal activities and review of business

The principal activity of the company is to act as a holding company within the Kelda Holdings Limited group (Kelda group).

### Results and dividends

The loss after taxation for the financial year was £15 (2022: loss £180). There has been no trading activity during the year apart from bank charges.

The directors do not recommend the payment of a dividend (2022: £nil). No dividends were paid post year end.

### Outlook and future developments

During the year to 31 March 2023, there was no trading activity apart from bank charges. It is anticipated that the company will continue to operate in this manner for the foreseeable future.

### Financial risk management

Risk management relating to the finance obligations of the company is managed as part of the overall financial risk management strategy of the Kelda group which manages its treasury operations on a group basis. Financial risk management is performed by Kelda group treasury department. This includes assessment and mitigation of price risk, credit risk, liquidity risk and interest rate cash flow risk. The group's treasury management policies and operations are discussed in Kelda Holdings Limited's Annual Report and Financial Statements (which does not form part of this report).

### Directors

The directors of the company who were in office during the year and up to the date of signing the Financial Statements were:

E M Barber (resigned 6 May 2022)

L N Shaw (appointed 9 May 2022)

C I Johns (resigned 28 February 2023)

P S Inman (appointed 1 March 2023)

### Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

## **Directors' report** *(continued)*

### **Going concern**

The company's business activities, together with the likely factors to affect its future development, performance and position are set out in the directors' report.

The directors believe that preparing the Financial Statements on the going concern basis is appropriate. The company acts as a holding company within the Kelda group. The directors believe that the company has adequate resources to continue in operational existence for at least 12 months after these Financial Statements are signed. The directors have considered the quality of the asset base and noting that £1,381,970 (2022: 1,381,985) is due from Kelda group undertakings and repayable on demand, the directors believe that the going concern for the company is inherently linked to the going concern of the Kelda group. As part of determining if the going concern assumption is appropriate for this company, the directors have challenged and scrutinised the ability of the Kelda group to continue as a going concern.

The Kelda group's available combination of cash and committed undrawn facilities totalled £729.6m at 31 March 2023 (2022: £745.0m), comprising £419.0m (2022: £693.0m) undrawn committed facilities and £310.6m (2022: £52.0m) of cash and cash equivalents. In addition, the directors have considered the business plan and the cash position of Yorkshire Water Services Limited (Yorkshire Water), as the main subsidiary of the Kelda group, and concluded that the Kelda group is well placed to manage its business risks successfully and have a reasonable expectation that the Kelda group has adequate resources to continue in operational existence over a period of at least 12 months from the date of approval of the Financial Statements. In addition, Yorkshire Water has an indefinite licence to operate as a water and sewerage operator terminable with a 25-year notice period.

The directors believe that there are no material uncertainties that could cast significant doubt over the ability of the Kelda group to continue as a going concern, and therefore in turn the ability of the company to continue as a going concern. The directors have thus adopted the going concern basis of accounting in preparing the Financial Statements.

### **Disclosure of information to independent auditor**

As at the date of this report, as far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware and the directors have taken all the steps that they ought to have as directors, in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of this information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Independent auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

## Directors' report *(continued)*

### Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 (UK) Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; 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.

Approved by the Board and signed on its behalf by:



**P S Inman**

*Director*

26 July 2023

# Independent auditor's report to the members of Kelda Water Services Limited

## Report on the audit of the Financial Statements

### Opinion

In our opinion the Financial Statements of Kelda Water Services Limited (the company):

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the Financial Statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the members of Kelda Water Services Limited *(continued)*

## Other information

The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Independent auditor's report to the members of Kelda Water Services Limited** *(continued)*

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the Financial Statements. These included the UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the Financial Statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, IT, forensic and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the Financial Statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing Financial Statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the Financial Statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

# Independent auditor's report to the members of Kelda Water Services Limited *(continued)*

## Report on other legal and regulatory requirements

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

### Matters on which we are required to report by exception

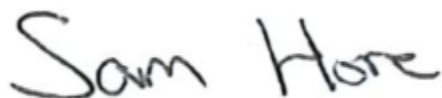
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

### Use of our report

This report is made solely to the company's members, 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 members 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.



Sam Hore FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds, United Kingdom

26 July 2023

## Profit and loss account for the year ended 31 March 2023

	<i>Note</i>	<b>2023</b> £	2022 £
Operating costs		<u>(15)</u>	<u>(180)</u>
<b>Operating loss</b>	3	<u>(15)</u>	<u>(180)</u>
<b>Loss before taxation</b>		<b>(15)</b>	<b>(180)</b>
Taxation	6	<u>-</u>	<u>-</u>
<b>Loss for the financial year</b>		<u><b>(15)</b></u>	<u><b>(180)</b></u>

There are no other items of comprehensive income or expenses in the current or prior year, therefore no separate statement of comprehensive income has been presented.

## Balance sheet

### as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	7	2	2
Non-current debtors	8	<b>1,381,970</b>	1,381,318
		<u>1,381,972</u>	<u>1,381,320</u>
<b>Current assets</b>			
Cash and cash equivalents		-	665
		<u>-</u>	<u>665</u>
<b>Creditors:</b> amounts falling due within one year	9	<b>(2)</b>	-
		<u>(2)</u>	<u>665</u>
<b>Net current (liabilities)/assets</b>		<b>(2)</b>	665
		<u>1,381,970</u>	<u>1,381,985</u>
<b>Total assets less current liabilities</b>		<b>1,381,970</b>	1,381,985
<b>Provisions for liabilities</b>	10	<b>(218,884)</b>	(218,884)
		<u>1,163,086</u>	<u>1,163,101</u>
<b>Net assets</b>		<b>1,163,086</b>	1,163,101
		<u>1,163,086</u>	<u>1,163,101</u>
<b>Capital and reserves</b>			
Called up share capital	12	60	60
Profit and loss account	12	<b>1,163,026</b>	1,163,041
		<u>1,163,086</u>	<u>1,163,101</u>
<b>Total shareholders' funds</b>		<b>1,163,086</b>	1,163,101
		<u>1,163,086</u>	<u>1,163,101</u>

These Financial Statements on pages 9 to 17 have been approved by the Board of directors, authorised for issue, and are signed on its behalf by:



**P S Inman**  
Director

26 July 2023

Company registered number: 02180706

## Statement of changes in equity for the year ended 31 March 2023

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total shareholders' equity</b>
	£	£	£
Balance at 1 April 2022	60	1,163,041	1,163,101
<b>Total comprehensive expense for the year</b>			
Loss for the financial year	-	(15)	(15)
Total comprehensive expense for the year	-	(15)	(15)
<b>Balance at 31 March 2023</b>	<b>60</b>	<b>1,163,026</b>	<b>1,163,086</b>

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total shareholders' equity</b>
	£	£	£
Balance at 1 April 2021	60	1,163,221	1,163,281
<b>Total comprehensive expense for the year</b>			
Loss for the financial year	-	(180)	(180)
Total comprehensive expense for the year	-	(180)	(180)
Balance at 31 March 2022	60	1,163,041	1,163,101

# Notes to the Financial Statements

## 1 Accounting policies

The company is a private company limited by shares, incorporated in the UK under the Companies Act 2006, registered in England and Wales, and resident for tax in the UK.

The company is exempt by virtue of s400 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.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The presentation currency of these Financial Statements is £ sterling.

Kelda Eurobond Co Limited, a parent company incorporated in England and Wales, includes the company in its consolidated Financial Statements. The consolidated Financial Statements of Kelda Eurobond Co Limited are prepared in accordance with International Financial Reporting Standards as issued by the IASB and are available to the public and may be obtained from Western House, Halifax Road, Bradford, West Yorkshire, BD6 2SZ.

In these Financial Statements, the company, as a qualifying entity, has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes;
- Key management personnel compensation; and
- Transactions between wholly owned subsidiaries, or with their parent.

As the consolidated Financial Statements of Kelda Eurobond Co Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 *Basic Financial Instruments*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

### **Measurement convention**

The Financial Statements are prepared on the historical cost basis of accounting.

## Notes to the Financial Statements *(continued)*

### 1 Accounting policies *(continued)*

#### **Going concern**

The company's business activities, together with the likely factors to affect its future development, performance and position are set out in the directors' report.

The directors believe that preparing the Financial Statements on the going concern basis is appropriate. The company acts as a holding company within the Kelda group. The directors believe that the company has adequate resources to continue in operational existence for at least 12 months after these Financial Statements are signed. The directors have considered the quality of the asset base and noting that £1,381,970 is due from Kelda group undertakings and repayable on demand, the directors believe that the going concern for the company is inherently linked to the going concern of the Kelda group. As part of determining if the going concern assumption is appropriate for this company, the directors have challenged and scrutinised the ability of the Kelda group to continue as a going concern.

The Kelda group's available combination of cash and committed undrawn facilities totalled £729.6m at 31 March 2023 (2022: £745.0m), comprising £419.0m (2022: £693.0m) undrawn committed facilities and £310.6m (2022: £52.0m) of cash and cash equivalents. In addition, the directors have considered the business plan and the cash position of Yorkshire Water Services Limited (Yorkshire Water), as the main subsidiary of the Kelda group, and concluded that the Kelda group is well placed to manage its business risks successfully and have a reasonable expectation that the Kelda group has adequate resources to continue in operational existence over a period of at least 12 months from the date of approval of the Financial Statements. In addition, Yorkshire Water has an indefinite licence to operate as a water and sewerage operator terminable with a 25-year notice period.

The directors believe that there are no material uncertainties that could cast significant doubt over the ability of the Kelda group to continue as a going concern, and therefore in turn the ability of the company to continue as a going concern. The directors have thus adopted the going concern basis of accounting in preparing the Financial Statements.

#### **Basic financial instruments**

##### *Other debtors*

Other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Other creditors*

Other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

## Notes to the Financial Statements *(continued)*

### 1 Accounting policies *(continued)*

#### **Investments**

Investments in subsidiaries are carried at cost less impairment.

#### **Impairment excluding deferred tax assets**

*Financial assets (including trade, intercompany and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### **Provisions**

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### **Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.



## Notes to the Financial Statements *(continued)*

### 2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements under FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There were no such areas of judgement or estimation uncertainty deemed significant in these Financial Statements.

### 3 Operating loss

Auditor's remuneration of £6,000 (2022: £6,000) has been borne, and not re-charged, by Kelda Group Limited in relation to the audit of these Financial Statements and £nil (2022: £nil) for non-audit services.

### 4 Staff numbers and costs

The company did not have any employees during the year ended 31 March 2023 (2022: nil).

### 5 Directors' remuneration

All the directors are employees, or directors, of other Kelda group undertakings and are remunerated by the relevant undertaking and received no emoluments in respect of their services to the company (2022: £nil).

### 6 Taxation

There is no taxation on the loss in the current or prior year. The tax result for the year is higher (2022: higher) than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

#### Reconciliation of effective tax rate

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Loss before taxation	<b>(15)</b>	(180)
Tax using the UK corporation tax rate of 19% (2022: 19%)	<b>(3)</b>	(34)
Effects of:		
Deferred tax not provided	<b>(113)</b>	(134)
Group relief not paid for	<b>116</b>	168
Total tax included in the profit and loss account	<b>-</b>	-

The Provisional Collection of Taxes Act, enacted on 17 March 2020, set the corporation tax rate at 19% from 1 April 2020, the rate which has been used in preparing these Financial Statements.

The Finance Bill 2021, enacted on 24 May 2021 introduced an increase to the main rate of corporation tax to 25% from April 2023. As the company has no deferred tax balances, there would be no impact as a result of the future rate change.

## Notes to the Financial Statements *(continued)*

### 7 Investments

	<b>Shares in group undertakings £</b>
<b>Cost and Net book value</b>	
At 1 April 2022 and 31 March 2023	<b>2</b>

The company has the following investments in subsidiaries whose registered office, unless otherwise stated, is Western House, Halifax Road, Bradford, West Yorkshire BD6 2SZ, are as follows:

	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Percentage of ordinary shares held 2023 &amp; 2022</b>
<b>Subsidiary undertakings</b>			
Kelda Energy Services (Old Whittington) Limited	England & Wales	In liquidation	100%
Safe-Move Limited	England & Wales	Dormant	100%
Kelda Water Services (Projects) Limited	England & Wales	Dormant	100%

### 8 Debtors

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Non-current debtors: amount owed by group undertakings	<b>1,381,970</b>	1,381,318

Amounts owed by group undertakings are owed by Kelda Group Limited, which are unsecured and interest free. The amounts are repayable on demand but are not expected to be repaid within the next 12 months.

### 9 Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts owed to subsidiary undertakings	<b>2</b>	-

All amounts owed to subsidiary undertakings are unsecured, interest free and repayable on demand. The amounts include £2 (2022: £nil) owed to Kelda Energy Services (Old Whittington) Limited.

## Notes to the Financial Statements *(continued)*

### 10 Provisions for liabilities

	<b>2023</b>	2022
	£	£
Provision	<b><u>218,884</u></b>	<u>218,884</u>

A provision of £218,884 recorded in the year ended 31 March 2019 relates to an indemnity claim received from the purchaser of a former subsidiary, Kelda Water Services (Defence) Limited, for performance failures prior to the sale of the company. The timings of any payments continue to be unknown and cannot be reliably estimated.

### 11 Deferred tax assets

The company has deferred tax assets not recognised (at the closing rate) due to fixed asset timing differences of £1,000 (2022: £1,000).

### 12 Capital and reserves

<b>Called up share capital</b>	<b>2023</b>	2022
	£	£
<b><i>Allotted, called up and fully paid</i></b>		
600,000 (2022: 600,000) ordinary shares of £0.0001 each (2022: £0.0001)	<b><u>60</u></b>	<u>60</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

No dividends were paid during the year or prior year.

The profit and loss account represents cumulative profits or losses, net of dividends paid.

### 13 Ultimate parent company and ultimate controlling party

The company is a subsidiary undertaking of Kelda Group Limited, incorporated in England and Wales. The ultimate controlling party is Kelda Holdings Limited, incorporated in Jersey and resident for tax in the UK. In the opinion of the directors, there is no ultimate controlling party.

The largest group in which the results of the company are consolidated is that headed by Kelda Holdings Limited, the registered office of which is 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands. The smallest group in which they are consolidated is that headed by Kelda Eurobond Co Limited, the registered office of which is the same as that of the company. The consolidated Financial Statements of these groups are available to the public and may be obtained from the Company Secretary, Western House, Halifax Road, Bradford, BD6 2SZ.