

Kelda Finance (No.3) PLC

Interim Financial Statements

For the 6 month period ended 30 September 2013



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Information to accompany the interim financial statements

Presented below are the results for Kelda Finance (No.3) PLC for the 6 month period ended 30 September 2013. These are prepared for the purposes of the £260m Facilities Agreement dated 14 June 2012.

Kelda Finance (No.3) PLC acts as a financing company within the Kelda Holdings Limited group.

Income statement

For the 6 month period ended 30 September 2013

		Unaudited 6 month period ended 30 Sep 2013 £'000	Audited 22 week period ended 31 Mar 2013 £'000
	Note		
Revenue		-	-
Operating costs		-	(53)
Other operating income			20
Operating loss		-	(33)
Investment income		5,738	1,701
Finance costs		(5,997)	(1,765)
Loss before taxation		(259)	(97)
Tax charge	1	-	-
Loss for the period from continuing operations		(259)	(97)

Balance sheet

As at 30 September 2013

	Note	Unaudited At 30 Sep 2013 £'000	Audited At 31 Mar 2013 £'000
Non-current assets			
Loans to parent company		197,500	197,500
		197,500	197,500
Current assets			
Trade and other receivables		1,453	1,701
Cash and cash equivalents	2	-	8
		1,453	1,709
Total Assets		198,953	199,209
Current liabilities			
Trade and other payables		(2,869)	(3,045)
Non-current liabilities			
Long term borrowings	2	(196,428)	(196,249)
Total liabilities		(199,297)	(199,294)
Net liabilities		(344)	(85)
Capital and reserves			
Called-up share capital	3	12	12
Profit and loss account	3	(356)	(97)
Total shareholder's funds		(344)	(85)

Cash flow statement

For the 6 month period ended 30 September 2013

	Note	Unaudited 6 month period ended 30 Sep 2013 £'000	Audited 22 week period ended 31 Mar 2013 £'000
Cash generated by continuing operations		44	(33)
Interest paid		(5,986)	-
Net cash flow from operating activities		(5,942)	(33)
Investing activities			
Interest received		5,986	-
Loans granted to parent company (net of fees)		-	(196,419)
Net cash generated by investing activities		5,986	(196,419)
Financing activities			
Share capital injection		-	12
Proceeds from issuance of bonds (net of fees)		-	196,448
Fees in relation to issuance of bonds		(52)	-
Net cash used in financing activities		(52)	196,460
(Decrease) / Increase in cash and cash equivalents		(8)	8
Cash and cash equivalents at beginning of the period		8	-
Cash and cash equivalents at the end of the period	2	-	8

Notes to the financial statements

For the six months ended 30 September 2013

The accounting policies, methods of computation and presentation in these accounts are consistent with those that were applied in the annual financial statements of Kelda Finance (No.3) Limited for the period ended 31 March 2013. The company's financial statements will be prepared under the historical cost convention in compliance with all applicable United Kingdom accounting standards (Financial Reporting Standards 'FRS', Statement of Standard Accounting Practice 'SSAP' and Urgent Issues Task Force abstract 'UITF').

1. Tax charge

	Unaudited	Audited
	6 month	22 week
	period ended	period ended
	30 Sep 2013	31 Mar 2013
	£'000	£'000
Tax relating to continuing operations:		
Current tax	-	-
Deferred tax	-	-
Prior year tax	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

The group's current tax differs from the standard rate of corporation tax in the UK of 23% due to investment income receivable that is not taxable.

2. Analysis of net debt

	Unaudited	Audited
	At	At
	30 Sep 2013	31 Mar 2013
	£'000	£'000
Cash and cash equivalents:		
Cash at bank and in hand	-	8
	<hr/>	<hr/>
	-	8
	<hr/>	<hr/>
Long term borrowings:		
Bank Loans	(196,428)	(196,249)
	<hr/>	<hr/>
	(196,428)	(196,249)
	<hr/>	<hr/>
Total net debt	<hr/> (196,428)	<hr/> (196,241)

Notes to the financial statements

For the six months ended 30 September 2013

3. Reconciliation of movements in equity

	Called-up share capital £'000	Profit and loss account £'000	Total shareholder's funds £'000
On incorporation	12	-	12
Loss for the period	-	(97)	(97)
At 31 March 2013	12	(97)	(85)
Loss for the period	-	(259)	(259)
At 30 September 2013	12	(356)	(344)

