

Kelda Finance (No.3) PLC

Condensed Interim Financial Statements

Registered number 8270049

For the six months ended 30 September 2019

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Information to accompany the condensed interim financial statements

Presented below are the results for Kelda Finance (No.3) PLC (the 'Company') for the six month period ended 30 September 2019.

Principal activities, review of the business and future developments

The principal activity of the company during the period continued to be that of raising finance for use in business of the Kelda Holdings Limited group.

Financial performance and outlook

During the six months ended 30 September 2019 the company continued to focus on delivering excellent internal services and performed in line with management expectations.

It is anticipated that the company will continue to follow the same model for the foreseeable future.

Principal risks and uncertainties

The risks to which the company is exposed include interest rate, credit, liquidity and market risk in relation to financial instruments. The principal risks and uncertainties of the group are disclosed in the annual financial statements of Kelda Eurobond (Co) Limited for the year ended 31 March 2019.

Condensed Statement Profit and Loss Account
for the six month period ended 30 September 2019

		Unaudited six month period ended 30 September 2019	Unaudited six month period ended 30 September 2018
	<i>Note</i>	£'000	£'000
Interest receivable and similar income		5,946	5,797
Interest payable and similar charges		(6,023)	(6,007)
Operating loss on ordinary activities before taxation		(77)	(210)
Tax on loss on ordinary activities	2	-	40
Loss for the period		(77)	(170)

Condensed Statement of Financial Position
as at 30 September 2019

		Unaudited at	Audited at 31
	<i>Note</i>	30 September	March 2019
		2019	£'000
		£'000	£'000
Current assets			
Debtors	3	199,298	199,022
Cash at bank		5	102
		<hr/>	<hr/>
		199,303	199,124
Creditors: amounts falling due within one year	4	(202,400)	(202,144)
		<hr/>	<hr/>
Net current liabilities		(3,097)	(3,020)
		<hr/>	<hr/>
Total assets less current liabilities		(3,097)	(3,020)
		<hr/>	<hr/>
Net liabilities		(3,097)	(3,020)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital		12	12
Profit and loss account		(3,109)	(3,032)
		<hr/>	<hr/>
Total shareholders' deficit		(3,097)	(3,020)
		<hr/>	<hr/>

Condensed Statement of Changes in Equity

for the six month period ended 30 September 2019

	Called up Share capital £'000	Profit and loss account £'000	Total Shareholders' funds £'000
Balance at 1 April 2019	12	(3,032)	(3,020)
Total comprehensive expense for the six month period			
Loss for the financial period	-	(77)	(77)
Total comprehensive expense for the financial period	-	(77)	(77)
Balance at 30 September 2019	12	(3,109)	(3,097)

	Called up share capital £'000	Profit and loss account £'000	Total Shareholders' funds £'000
Balance at 1 April 2018	12	(2,607)	(2,595)
Total comprehensive expense for six month period			
Loss for the financial period	-	(170)	(170)
Total comprehensive expense for the financial period	-	(170)	(170)
Balance at 30 September 2018	12	(2,777)	(2,765)

Notes to the condensed interim financial statements

for the six month period ended 30 September 2019

1 Basis of preparation and accounting

The financial information for the six month period ended 30 September 2019 has been prepared in accordance with FRS 104 'Interim Financial Reporting' and the Companies Act 2006. The financial information for the six month period ended 30 September 2019 and the equivalent period in 2018 has not been audited and does not constitute statutory accounts.

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) PLC for the year ended 31 March 2019. The company's financial statements are prepared under the historical cost convention in compliance with Financial Reporting Standard 101 Reduced Disclosure Framework.

2 Taxation

Tax relating to continuing operations:

	Unaudited six month period ended 30 September 2019	Unaudited six month period ended 30 September 2018
	£'000	£'000
<i>Current tax</i>		
Total current tax credit	-	40
	<hr/>	<hr/>
Tax on loss on ordinary activities	-	40
	<hr/> <hr/>	<hr/> <hr/>

There is a tax charge in the year of £nil (2018: £40,000 credit). The intercompany interest in the profit and loss is non-deductible for tax.

3 Debtors

	Unaudited at 30 September 2019	Audited at 31 March 2019
	£'000	£'000
Debtors falling due within one year:		
Amounts owed by group undertakings	199,298	199,022
	<hr/>	<hr/>
Debtors	199,298	199,022
	<hr/> <hr/>	<hr/> <hr/>

Included within amounts owed by group undertakings is a loan of £197,500,000 to Kelda Finance (No.2) Limited which carries interest at 5.75% per annum ('p.a.') and is payable in one instalment on 17 February 2020. The remaining balances are unsecured, interest-free, have no contractual repayment date and are repayable on demand.

Notes to the condensed interim financial statements
for the six month period ended 30 September 2019

4 Creditors: amounts falling due within one year

	Unaudited at 30 September 2019	Audited at 31 March 2019
	£'000	£'000
Guaranteed bond 5.75% £200.0m repayable in 2020	199,560	199,288
Trade creditors	4	4
Amounts owed to group	1,387	1,387
Other creditors	1,449	1,465
	202,400	202,144
	202,400	202,144

Amounts owed to group undertakings are unsecured, interest-free, have no contractual repayment date and are repayable on demand.

5 Analysis of net debt

	Unaudited at 30 September 2019	Audited at 31 March 2019
	£'000	£'000
Cash and cash equivalents:		
Cash at bank and in hand	5	102
	5	102
Short term borrowings:		
5.75% £200.0m bond repayable in 2020	(199,560)	(199,288)
	(199,560)	(199,288)
Total net debt	(199,555)	(199,186)