

# Yorkshire Water Finance Plc

Condensed interim Financial Statements

Registered number 11444372

For the six month period ended 30 September 2024



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## Information to accompany the condensed interim Financial Statements

The results for Yorkshire Water Finance Plc (the company) for the six month period ended 30 September 2024 are presented in this report.

### Principal activities and business review

The company is a wholly owned subsidiary within the Kelda Holdings Limited group (Kelda group) and operates as part of the Kelda group's regulated water and wastewater business.

The principal activity of the company continues to be that of raising finance for use in the business of its immediate parent company, Yorkshire Water Services Limited (Yorkshire Water).

The Yorkshire Water Financing Group (YWFG) was established in 2009 when the Whole Business Securitisation (WBS) of Yorkshire Water and its subsidiaries was completed and provides a permanent and stable platform for the long-term financing of Yorkshire Water. The WBS created a ring-fence around the YWFG, now comprising Yorkshire Water, Yorkshire Water Services Holdings Limited, Yorkshire Water Services Finance Limited and the company.

On 11 September 2024, the company agreed terms for the issue of £400.0m of sustainability bonds which mature in November 2034 with a coupon rate of 6.375%. The net proceeds from the issue of these bonds were loaned to Yorkshire Water. The bonds were issued on 18 September 2024.

On 3 October 2024, the company agreed terms for the issue of £100.0m CPI-linked bonds which mature in October 2039 with a coupon rate of 4.276%. The net proceeds from the issue of these bonds were loaned to Yorkshire Water. The bonds were issued on 10 October 2024.

### Financial performance and outlook

During the six months ended 30 September 2024 the company continued to focus on delivering 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 which the company is exposed to include interest rate, credit, liquidity and market risk in relation to financial instruments. The principal risks and uncertainties for the group, and how these are mitigated, are included in the Kelda Eurobond Co Limited Annual Report and Financial Statements (ARFS) for the year ended 31 March 2024 (which do not form part of these condensed interim Financial Statements).

### Responsibility statement

These condensed interim Financial Statements, which have been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss for the period. The directors confirm that the condensed interim Financial Statements have been prepared in accordance with FRS 104 'Interim Financial Reporting' issued by the Financial Reporting Council, and that the interim management report includes a fair review of the information required by Disclosure Guidance and Transparency Rules (DTR) 4.2.7. As the company does not issue listed shares, DTR 4.2.8 in respect of related party transactions has not been applied.

## Condensed Profit and Loss Account

for the six month period ended 30 September 2024

		<b>Unaudited six month period ended 30 September 2024 £'000</b>	Unaudited six month period ended 30 September 2023 £'000
Impairment of intercompany receivables		<b>(37,835)</b>	(2,381)
Interest receivable and similar income		<b>101,090</b>	108,248
Interest payable and similar charges		<b>(100,992)</b>	(108,157)
		<hr/>	<hr/>
<b>Loss before taxation</b>		<b>(37,737)</b>	(2,290)
Taxation	2	<b>(16)</b>	(16)
		<hr/>	<hr/>
<b>Loss for the six month period</b>		<b>(37,753)</b>	(2,306)
		<hr/> <hr/>	<hr/> <hr/>

## Condensed Balance Sheet

as at 30 September 2024

	Note	Unaudited at 30 September 2024 £'000	Audited at 31 March 2024 £'000
<b>Current assets</b>			
Debtors	3	4,806,560	4,481,556
Cash and cash equivalents		773	690
		<b>4,807,333</b>	<b>4,482,246</b>
<b>Creditors:</b> amounts falling due within one year	4	<b>(54,712)</b>	(96,216)
<b>Net current assets</b>		<b>4,752,621</b>	4,386,030
<b>Total assets less current liabilities</b>		<b>4,752,621</b>	4,386,030
<b>Creditors:</b> amounts falling due after more than one year	5	<b>(4,791,591)</b>	(4,387,247)
<b>Net liabilities</b>		<b>(38,970)</b>	(1,217)
<b>Capital and reserves</b>			
Called up share capital		50	50
Share premium account		2,180	2,180
Profit and loss account		<b>(41,200)</b>	(3,447)
<b>Total shareholder's deficit</b>		<b>(38,970)</b>	(1,217)

The condensed interim Financial Statements, which are unaudited, were approved by the Board of directors on 29 November 2024 and signed on its behalf by:



**P S Inman**  
Director

## Condensed Statement of Changes in Equity

for the six month period ended 30 September 2024

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholder's deficit £'000
Balance at 1 April 2024	50	2,180	(3,447)	(1,217)
<b>Total comprehensive expense for the period</b>				
Loss for the six month period	-	-	(37,753)	(37,753)
<b>Balance at 30 September 2024</b>	<b>50</b>	<b>2,180</b>	<b>(41,200)</b>	<b>(38,970)</b>

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholder's deficit £'000
Balance at 1 April 2023	50	2,180	(10,291)	(8,061)
<b>Total comprehensive expense for the period</b>				
Loss for the six month period	-	-	(2,306)	(2,306)
<b>Balance at 30 September 2023</b>	<b>50</b>	<b>2,180</b>	<b>(12,597)</b>	<b>(10,367)</b>

## Notes to the condensed interim Financial Statements

### 1 Basis of preparation and accounting

The financial information for the six month period ended 30 September 2024 has been prepared in accordance with FRS 104 'Interim Financial Reporting' and the Companies Act 2006. This report should be read in conjunction with the company's ARFS for the year ended 31 March 2024, which have been prepared in accordance with FRS 101.

The accounting policies, methods of computation and presentation in these accounts are consistent with those that were applied in the annual Financial Statements for the year ended 31 March 2024. The auditor's report on those accounts was unqualified. The company's Financial Statements are prepared under the historical cost convention in compliance with Financial Reporting Standard 101 Reduced Disclosure Framework.

### 2 Taxation

	<b>Unaudited six month period ended 30 September 2024</b>	Unaudited six month period ended 30 September 2023
	<b>£'000</b>	£'000
Current tax	<b>(16)</b>	(16)

### 3 Debtors

	<b>Unaudited at 30 September 2024</b>	Audited at 31 March 2024
	<b>£'000</b>	£'000
Amounts owed by parent company	<b>4,848,255</b>	4,485,415
Expected credit loss provision	<b>(41,695)</b>	(3,859)
	<b>4,806,560</b>	4,481,556
Analysed as:		
Amounts falling due within one year	<b>53,278</b>	94,727
Amounts falling due after more than one year	<b>4,753,282</b>	4,386,829
	<b>4,806,560</b>	4,481,556

The amounts owed by parent company represent loans to Yorkshire Water which are unsecured, bear interest at varying nominal rates and have contractual repayment dates, together with accrued interest.

As required by IFRS 9 the company has recognised an expected credit loss provision of £41,695,000 (31 March 2024: £3,859,000). The provision is based on the one year credit spread of Yorkshire Water which increased during the six month period ended 30 September 2024.

## Notes to the condensed interim Financial Statements

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

	<b>Unaudited at 30 September 2024 £'000</b>	Audited at 31 March 2024 £'000
Interest payable accrual	<b>54,696</b>	96,200
Corporation tax	<b>16</b>	16
	<hr/> <b>54,712</b> <hr/>	<hr/> 96,216 <hr/>

### 5 Creditors: amounts falling due after one year

	<b>Unaudited at 30 September 2024 £'000</b>	Audited at 31 March 2024 £'000
Interest-bearing loans and borrowings	<b>4,791,591</b>	4,387,247
	<hr/> <b>4,791,591</b> <hr/>	<hr/> 4,387,247 <hr/>

### 6 Analysis of net debt

	<b>Unaudited at 30 September 2024 £'000</b>	Audited at 31 March 2024 £'000
<b>Cash and cash equivalents</b>	<b>(773)</b>	(690)
	<hr/> <b>(773)</b> <hr/>	<hr/> (690) <hr/>
<b>Long term borrowings</b>		
Interest-bearing loans and borrowings	<b>4,791,591</b>	4,387,247
	<hr/> <b>4,791,591</b> <hr/>	<hr/> 4,387,247 <hr/>
<b>Total net debt</b>	<b>4,790,818</b>	4,386,557
	<hr/> <b>4,790,818</b> <hr/>	<hr/> 4,386,557 <hr/>



