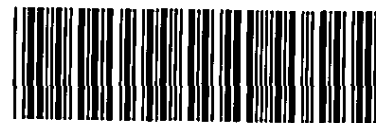


Surta Limited

Annual report and financial statements

For the 15 month period ended 31 March 2007

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30/01/2008
COMPANIES HOUSE

Registered Office
Gainsborough House
Manor Farm Road
Reading
Berkshire
RG2 0JN

Surta Limited

Directors' report for the 15 month period ended 31 March 2007

The directors present their report and the financial statements of Surta Limited for the 15 month period ended 31 March 2007

Review of business and principal activities

The company has not traded during the period, has received no income and incurred no expenditure, and consequently has made neither profit or loss

On 1 December 2006 the Thames Water Group, which included the Company, a 100% indirectly owned subsidiary, was sold to a consortium led by Macquarie European Infrastructure Funds I and II. Accordingly, the Company's ultimate parent company changed from RWE AG to Kemble Water Holdings Limited on this date

On 27 November 2007, a group restructure saw the Company's immediate parent company change from Thames Water Services Limited to Thames Water Property Services Limited

Directors

P Beeson

D Edwards (resigned 31 January 2007)

P Harding (resigned 18 October 2007)

I A Hamilton (appointed 18 October 2007)

Directors' interests

None of the directors of the Company held any interests in the shares of the Company during the period. In accordance with Statutory Instrument 1985/802 the directors' interests in the shares of RWE AG (the ultimate parent company until 1 December 2006) are not required to be disclosed

Elective resolutions

Pursuant to Sections 386, 366A and 252 of the Companies Act 1985, the Company passed the following elective resolutions on 7 July 2000

- 1) To dispense with the obligation to appoint auditors annually
- 2) To dispense with the holding of annual general meetings
- 3) To dispense with the laying of accounts and reports before the Company in a general meeting

These elective resolutions will remain in effect until revoked by the passing of an ordinary resolution to that effect

By order of the board



I A Hamilton

Director

25 January 2008

Surta Limited

Balance sheet as at 31 March 2007

	Notes	31 March 2007 £	31 December 2005 £
Current Assets			
Debtors	3	<u>614,000</u>	<u>614,000</u>
Net Assets		<u><u>614,000</u></u>	<u><u>614,000</u></u>
Capital and reserves			
Called up share capital	4	365,535	365,535
Share premium account		<u>248,465</u>	<u>248,465</u>
Total equity shareholders' funds		<u><u>614,000</u></u>	<u><u>614,000</u></u>

For the period ended 31 March 2007, the company was entitled to exemption from audit under section 249AA(1) of the Companies Act 1985

No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 249B(2)

The directors acknowledge their responsibility for

a) Ensuring the company keeps accounting records which comply with section 221

b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company



I A Hamilton

Director

28 January 2008

Surta Limited

Notes to the financial statements for the 15 month period ended 31 March 2007

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom

2 Cashflow statement and related party transactions

The company is a wholly-owned subsidiary of the Kemble Water Holdings Limited and the cash flows of the Company are included in the consolidated Financial Statements of Kemble Water Holdings Limited, which are publicly available. Consequently, the Company is exempt under the terms of Financial Reporting Standard 1 (revised 1996), from publishing a cash flow statement

In accordance with the exemption available under FRS 8 'Related Party Disclosures', transactions with other Kemble Water Holdings Limited group undertakings which have 90% or more of their voting rights controlled within the group have not been disclosed in these financial statements

3 Debtors

	31 March 2007 £	31 December 2005 £
Amounts owed by group undertakings	<u>614,000</u>	<u>614,000</u>

4 Called up share capital

	31 March 2007 £	31 December 2005 £
Authorised		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted and fully paid		
366,535 ordinary shares of £1 each	<u>365,535</u>	<u>365,535</u>

5 Immediate and ultimate parent undertaking

The immediate holding company is Thames Water Property Services Limited, which holds 100% of the share capital

The intermediate parent company is Kemble Water Investments Limited, a company incorporated in the United Kingdom, and smallest group to consolidate these financial statements

The ultimate parent company and controlling party is Kemble Water Holdings Limited, a company incorporated in the United Kingdom and largest group to consolidate these financial statements

Copies of the accounts of all of the above companies may be obtained from the Company Secretarial Department, Thames Water Group, Clearwater Court, Vastern Road, Reading, Berkshire, RG1 8DB