

Company Registration No 2862807 (England and Wales)

UK WATER INDUSTRY RESEARCH

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2013

**REGISTRAR
OF COMPANIES**

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UK WATER INDUSTRY RESEARCH

(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

COMPANY INFORMATION

Board of Directors

Water service companies

Dr Stephen Bird
Operations Director
South West Water Limited

Dr Julian Dennis (resigned 14 December 2012)
Director of Environment, Science and Sustainability
Wessex Water Services Limited

Anthony Conway
Asset Management Director
United Utilities Water

Simon Cocks
Waste Water Services Director
Severn Trent Water plc

David Elliott (appointed 20 March 2013)
Director of Environment and Assets
Wessex Water

Simon Barnes
Head of Innovation Delivery
Yorkshire Water plc

Richard Warneford (appointed 17 December 2012)
Waste Water Director
Northumbrian Water

Chris Newsome
Director - Asset Management
Anglian Water Services Limited

Dr Colin Price (resigned 17 October 2012)
Technical Director
Northumbrian Water Limited

Robert Collington
Head of Asset Management
Thames Water Utilities Limited

John Spence
Head of Environment and Quality
Southern Water

Mike Davies
Planning and Regulation Director
Dwr Cymru

Water supply companies

Paul Butler (resigned 15 October 2012)
Managing Director
South East Water Limited

UK WATER INDUSTRY RESEARCH

(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

COMPANY INFORMATION

	Lester Sonden Engineering Director Sutton & East Surrey Water
	Wendy Staden (appointed 20 March 2013) Director of Regulatory Affairs Bristol Water
	Stephen Martin (appointed 20 March 2013) Director Of Asset Management Affinity Water
Scotland	Geoff Aitkenhead (resigned 20 August 2012) Asset Management Director Scottish Water
	Dr Simon Parsons (appointed 17 December 2012) Chief Scientist Scottish Water
Northern Ireland	George Butler (resigned 18 October 2012) Asset Management Director Northern Ireland Water Limited
	Patrick Brow (appointed 17 December 2012) Head of Asset Strategy Northern Ireland Water
Chairman	Christopher Newsome
Director and Chief Executive Officer	Hans Jensen
Programme Coordinator Programme Manager Office Manager	Pauline Avery Gordon Wheale Carol Ham
Company number	2862807
Registered office	8th Floor 50 Broadway London SW1H 0RG
Auditors	goodband viner taylor Ellin House 42 Kingfield Road Sheffield S11 9AS
Bankers	Yorkshire Bank 81 Carlton Street Castleford West Yorkshire

UK WATER INDUSTRY RESEARCH

(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

COMPANY INFORMATION

Accountants

Haigh & Co
Grange Cottage
Womersley
Doncaster
DN6 9BW

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

The company directs and procures a programme of research for UK water operating companies on "one voice" issues. This is the company's seventeenth annual report and audited accounts and covers the year to 31 March 2013.

Constitutional framework

Since 1999, the Board of UK Water Industry Research Limited (UKWIR) has played a strategic role on behalf of the water industry in setting the direction for research and being responsible for the development and delivery of the programme. This role also requires agreement on business needs driving research and determination of overall priorities. Each spring the Board agrees its advice on strategic priorities, which is disseminated to all UKWIR members prior to the Advisory Group meetings in May and September. Part of the Board's function is to enhance the benefit and value obtained by members by instigating collaboration with other bodies where appropriate. Directors continue to be appointed to the Board from amongst senior industry representatives whose experience covers a wide range of disciplines and interests.

Operating of the company

The results for the year are set out on page six.

Income from member subscriptions totalled £4,065,878 for the 2012/13 programme.

Project management continues to be performed by a mixture of companies/authorities within the water industry and consultants. Tender prices for planned projects proved to be very attractive with contractors offering very competitive rates. The Board agreed that the current level of funds carried forward should be used to supplement the annual subscription in a managed way over the next two years as they anticipate that the demand for research investment may exceed income as the business planning cycle progresses towards 2014.

UKWIR continues to publish reports from research projects and 49 reports were produced and circulated during the year. The full text and contents of all reports in the public domain are produced on a DVD, which is updated and re-issued to members at appropriate intervals. The UKWIR website (www.ukwir.org) is used to publicise the UKWIR programme and water research related news. Reports are listed on the web site and public domain reports can be purchased on-line. Many UKWIR members now download UKWIR reports directly from secure areas of the web site.

Project dissemination through seminars and workshops continues, these continue to be viewed as beneficial and are well attended by companies' representatives, who continue to give positive feedback on the value of these events. During 2012/13 a total of 34 project workshops were held, bringing together a total of over 500 delegates.

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

Principal activities

As well as facilitating processes to enable members to identify and prioritise objects of common interest, UKWIR's staff encourage increased collaboration both nationally and internationally. This has included development of UKWIR's R&D strategy, development of international collaboration and raising the profile of UKWIR in the UK and international water industry community. The research programme continues to cover the following areas: drinking water quality and health, toxicology, asset management, leakage, water resources, climate change, waste water treatment, biosolids, water mains and services, sewerage, as well as regulatory and customer issues. Having consulted the industry in depth as well as collaborators and stakeholders, UKWIR's Research Road Maps continue to be useful to government and Research Councils in the UK. A review of research needs and themes was undertaken during the year and this has been used to aid the Board in setting UKWIR's strategy and providing key areas for strategic research to the membership.

During the year, UKWIR has continued to drive processes for the identification and specification of new research projects by holding two UKWIR Advisory Group meetings where the industry was widely represented to formulate proposals for research as well as prioritise them to meet business needs. In 2012 the proposals were again posted in UKWIR's website and voted on by the membership during August 2012. Following the initial voting process the Advisory Group met for a second time in October to discuss, develop and prioritise objects.

Collaborative research has continued during the year with the government departments and agencies, DEFRA, DWI, Technology Strategy Board (TSB), the Environment Agency, OFWAT and the Scottish Executive. In addition UKWIR has continued to engage with organisations outside the UK in order to enhance the value of the programme and to promote the transfer of knowledge.

Several projects of mutual interest have been identified for joint funding with the Water Research Foundation (formerly AwwaRF) and the Water Environment Research Foundation (WERF) in the USA. UKWIR is one of the participating organisations in the Global Water Research Coalition (GWRC) that has founding partners drawn from Australia, France, the Netherlands, South Africa, Singapore and the USA. GWRC members have been working on a number of large joint projects addressing a range of issues and UKWIR has been fully engaged in the process, and membership of the Board.

In addition relationships have continued to be sought for closer collaboration in Europe, both with the European Commission and colleague organisations in other member states. UKWIR has also represented UK research interest via Board membership of the Water Supply and Sanitation Technology Platform (WSSTP), which has developed a thirty-year research agenda for water, called ACQUEAU, which received formal endorsement in March 2010 and membership of the Board.

The UKWIR CEO remained a member of the Board of the Environmental Knowledge Transfer Network, which is funded by the TSB to develop research needs for the environmental sector.

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

Business review and future developments

UKWIR views the dissemination and implementation of technical results as crucial and has asked contractors to plan for and arrange technology transfer workshops at the conclusion of projects. UKWIR will seek to utilise all opportunities to disseminate information arising from its research programme into the industry.

Water UK council members continue to be provided on a bi-monthly basis with an UKWIR briefing sheet that summarises the value and benefits to members achieved from a particular project area.

'UKWIR News' is published on a quarterly basis both separately and as an insert to the CIWEM (The Chartered Institute of Water and Environment Management) Water and Environment magazine. It is circulated to many industry professionals around the world. The News is also distributed electronically as well as in hard copy with the circulation list kept under review.

UKWIR's website has continued to be developed to facilitate a number of activities, such as gathering research ideas and prioritising research options, managing UKWIR's publications, publicising and registration for dissemination events, room booking and completion of quarterly reports by UKWIR's project managers. Plans for further developments are continually under review, including incorporation of teleconferencing and webinar technologies to give wider access to UKWIR events.

Directors

The following directors have held office since 1 April 2012

Lester Sonden	
Stephen Charles Bird	
Paul Butler	(Resigned 15 October 2012)
Christopher Newsome	
Julian Dennis	(Resigned 14 December 2012)
Colin Price	(Resigned 17 October 2012)
Hans Jensen	
Anthony Conway	
Simon Cocks	
Simon Barnes	
Robert Collington	
John Spence	
Mike Davis	
George Butler	(Resigned 18 October 2012)
Richard Warneford	(Appointed 17 December 2012)
Simon Parsons	(Appointed 17 December 2012)
Patrick Brow	(Appointed 17 December 2012)
Wendy Staden	(Appointed 20 March 2013)
Stephen Martin	(Appointed 20 March 2013)
David Elliott	(Appointed 20 March 2013)

Annual General Meetings

Since 10 April 1995, elective resolutions have been in force to dispense with the holding of annual general meetings, the laying of accounts before the company in general meeting and the obligation to re-appoint auditors annually.

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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

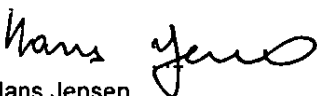
- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare 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.

So far as each of the directors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the board



Hans Jensen
Director

12 DEC 2013

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF UK WATER INDUSTRY RESEARCH**

We have audited the financial statements of UK Water Industry Research Limited for the year ended 31 March 2013

which comprise the income and expenditure account, balance sheet, cash flow statement and related notes. The financial reporting framework that has been applied is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

The 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, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Directors' report to identify material inconsistencies within the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications in our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its deficit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice Applicable to Smaller Entities,
- have been properly prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF UK WATER INDUSTRY RESEARCH**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 disclosure of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for an audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors Report

Melanie Viner
(Senior Statutory Auditor)
goodband viner taylor

**Chartered Accountants
Statutory Auditor**

12 DEC 2013

Ellin House
42 Kingfield Road
Sheffield
S11 9AS

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	2013 £	2012 £
Income	2	4,641,950	4,831,031
Expenditure		(4,657,741)	(4,842,434)
Operating deficit	3	(15,791)	(11,403)
Other interest receivable and similar income	4	16,055	11,346
Profit/(loss) on ordinary activities before taxation		264	(57)
Tax on profit/(loss) on ordinary activities	5	(389)	-
Loss for the year	9	(125)	(57)

The income and expenditure account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
BALANCE SHEET
AS AT 31 MARCH 2013**

	Notes	2013 £	£	2012 £	£
Current assets					
Debtors	6	359,777		280,267	
Cash at bank and in hand		2,007,293		2,614,383	
		<u>2,367,070</u>		<u>2,894,650</u>	
Creditors: amounts falling due within one year	7	<u>(2,372,970)</u>		<u>(2,900,425)</u>	
Total assets less current liabilities			<u>(5,900)</u>		<u>(5,775)</u>
Capital and reserves					
Profit and loss account	9		<u>(5,900)</u>		<u>(5,775)</u>
Shareholders' funds	10		<u>(5,900)</u>		<u>(5,775)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 12 DEC 2013



Christopher Newsome
Director

Company Registration No. 2862807

UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

	£	2013 £	£	2012 £
Net cash outflow from operating activities		(622,756)		(526,993)
Returns on investments and servicing of finance				
Interest received	16,055		11,346	
Net cash inflow for returns on investments and servicing of finance		16,055		11,346
Taxation		(389)		(141)
Net cash outflow before management of liquid resources and financing		(607,090)		(515,788)
Decrease in debt	-		-	
Decrease in cash in the year		(607,090)		(515,788)

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
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NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013

1 Reconciliation of operating loss to net cash inflow from operating activities			2013	2012
			£	£
Operating loss			(15,791)	(11,403)
Increase in debtors			(79,510)	(57,182)
Decrease in creditors within one year			(527,455)	(458,408)
Net cash outflow from operating activities			(622,756)	(526,993)
2 Analysis of net funds	1 April 2012	Cash flow	Other non-cash changes	31 March 2013
	£	£	£	£
Net cash				
Cash at bank and in hand	2,614,383	(607,090)	-	2,007,293
Bank deposits	-	-	-	-
Net funds	2,614,383	(607,090)	-	2,007,293
3 Reconciliation of net cash flow to movement in net funds			2013	2012
			£	£
Decrease in cash in the year			(607,090)	(515,788)
Movement in net funds in the year			(607,090)	(515,788)
Opening net funds			2,614,383	3,130,171
Closing net funds			2,007,293	2,614,383

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Compliance with accounting standards

The accounts for the period are prepared on the historical cost basis and in accordance with applicable accounting standards in the United Kingdom

The company has taken advantage of Section 396 (5) of the Companies Act 2006 to adapt the headings otherwise required by the Large and Medium Companies and Groups (Accounts and Report) Regulations 2008 as the special nature of the company's business requires such adaptation

A summary of the more important accounting policies which have been applied consistently is set out below

1.3 Income

Income represents contributions from members of the company and collaborators, shared income from the sale of toxicity datasheets and sales of reports, excluding Value Added Tax

1.4 Leasing

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the income and expenditure over the period of the lease

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred

1.5 Pensions

For staff employed by UKWIR prior to 1 May 2000, the company participates in the Water Companies' Pension Scheme (WCPS), a defined benefit scheme. WCPS is a multi-employer scheme and is managed by corporate trustees, the Water Companies (Pension Fund) Trustee Company, and is accounted for separately from the company's finances. From 1 April 2003 the UKWIR sub-fund of WCPS was merged with that of Water UK and thereafter will pay contributions as requested by Water UK on the basis of actuarial advice. As it is not possible to identify the company's share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, contributions to the scheme are accounted for as though it were a defined contributions scheme on a contributions payable basis.

From 1 May 2000, new employees have been offered a personal pension arranged by UKWIR. The amount charged to the profit and loss account represents the amounts contributed during the period.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

1 Accounting policies

(Continued)

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to income and expenditure account.

2 Income and profit/(loss) on ordinary activities before taxation

	Turnover	
	2013	2012
	£	£
Class of business		
Contributions receivable from members	4,065,878	4,284,622
Contributions receivable from collaborators	499,778	454,018
Publications	76,294	92,391
	<u>4,641,950</u>	<u>4,831,031</u>

During 2012/13, all contributions funded activities predominantly within the United Kingdom.

3 Operating deficit

	2013	2012
	£	£
Operating deficit is stated after charging		
Loss on foreign exchange transactions	-	444
Operating lease rentals	71,415	71,415
Auditors' remuneration	4,981	4,597
Directors' remuneration	132,171	78,018
	<u>132,171</u>	<u>78,018</u>

4 Investment income

	2013	2012
	£	£
Bank interest	16,055	11,346
	<u>16,055</u>	<u>11,346</u>

UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013

5	Taxation	2013	2012
		£	£
	Domestic current year tax		
	Adjustment for prior years	389	-
	Current tax charge	<u>389</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	264	(57)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0% (2012 - 0%)	-	-
	Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

6	Debtors	2013	2012
		£	£
	Trade debtors	67,976	70,021
	Other debtors	291,801	210,246
		<u>359,777</u>	<u>280,267</u>

7	Creditors, amounts falling due within one year	2013	2012
		£	£
	Trade creditors	772,918	236,511
	Other creditors	1,600,052	2,663,914
		<u>2,372,970</u>	<u>2,900,425</u>

8 Pension costs

The company participates in a defined benefit pension scheme, the Water Companies Pension Scheme, for qualifying employees. This is a sectionalised scheme and the company participates in the Water UK Section of the Scheme. The Section funds are administered by trustees and are independent of the Company's finances.

**UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

8 Pension costs

(Continued)

Contributions are paid to the Section in accordance with the recommendations of an independent actuarial adviser

As the scheme is a multiple employer scheme and the company is unable to identify its share of the underlying assets and liabilities of the scheme, it accounts for contributions to the scheme as if it were a defined contribution scheme

The results of the formal actuarial valuation as at 31 March 2011 were updated to the accounting date by an independent qualified actuary in accordance with FRSSSE. As required by FRSSSE, the value of the defined benefit obligation and current service cost has been measured using the projected unit method. The surplus of the scheme at 31 March 2013 was £182,000 (2012 £184,000). The Section is closed to new entrants and the Company also contributes to the personal pension schemes of some employees and amounts paid are charged to profit and loss account during the period.

The total pension charge for the year was £39,732 (2012 £34,330)

The pensions charge is analysed as follows

	2013	2012
	£	£
Payments to the Water Companies Pension Scheme	14671	9,601
Payments to personal pension schemes	25061	24,729
	<u>39732</u>	<u>34,330</u>

9 Statement of movements on profit and loss account

**Profit and loss
account**

	£
Balance at 1 April 2012	(5,775)
Loss for the year	(125)
Balance at 31 March 2013	<u>(5,900)</u>

10 Movements of funds statements

A separate movement of funds statement is not provided as there are no changes for the current or previous year other than the retained surplus in the income and expenditure account

11 Status

The company is incorporated as a company limited by guarantee and not having a share capital. The liability is guaranteed and limited to £1 to each member of the company.

UK WATER INDUSTRY RESEARCH
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE
CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013

12 Financial commitments

At 31 March 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2014

	Land and buildings	
	2013	2012
	£	£
Operating leases which expire		
Within one year	41,659	71,415
	<u> </u>	<u> </u>

13 Related party relationships and transactions

Transactions with Directors

Each director of UK Water Industry Research Limited is also a director or senior manager of either a water service company or a water supply company within the United Kingdom. These companies are also members of UK Water Industry Research Limited and together provide contributions from members of £4,065,878 (2012 £4,284,622). In addition these companies undertake contracts with UK Water Industry Research Limited throughout the year. Disclosure of each individual transaction would result in unnecessary cost and delay due to the number of transactions between UK Water Industry Research Limited and these companies.