

2914860

Severn Trent Water Utilities Finance Plc

Year ended 31 March 1996

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Company Information

Company number
2914860

Registered office
2297 Coventry Road
Birmingham
B26 3PU

Auditors
Price Waterhouse
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT



Severn Trent Water Utilities Finance Plc

Directors' Report

The Directors present their report, together with the audited financial statements for the accounting year ended 31 March 1996.

Principal activities

The company was incorporated on the 25 March 1994, for the purpose of borrowing and raising money on behalf of Severn Trent Water Limited the immediate parent undertaking. During the course of the year the company has not traded.

Business review

The profit and loss account for the year is set out on page 4

A review of the holding company's activities is contained within the Annual Report and Accounts of Severn Trent Plc. A copy of this report can be obtained on written request to the Company Secretary, Severn Trent Plc, 2297 Coventry Road, Birmingham, B26 3PU. There is no charge for this publication.

Dividend and reserves

No dividends were declared during the year. There were no transfers to reserves during the year.

Directors

The Directors of the company who served throughout the year are listed below:

R Cargill
V Cocker
R A S Costin
R S Paul Resigned 30 April 1995

Messrs Cocker and Costin are also Directors of Severn Trent Water Limited, the company's immediate parent undertaking and details of their interests in the share capital of Severn Trent Plc, the ultimate parent undertaking, can be found in the accounts of that company. The interest of the other director in the share capital of Severn Trent Plc is as follows;

	Beneficial holding in ordinary shares		Share Options held under approved schemes			
	1 April 95	31 March 96	1 April 95	Granted during period	Exercised during period	31 March 96
R Cargill	740	838	29,415	-	-	29,415

Share options were granted in accordance with the rules of the Severn Trent Executive Option Scheme and the Severn Trent Sharesave Scheme.

Details of prices and periods within which options are exercisable are set out in the financial statements of Severn Trent Plc.

No Director has during the year or at the end of the year a material interest in any contract of significance to the company's affairs.

Share capital

There were no changes to the Authorised and Issued share capital during the year.

Auditors

A resolution proposing the re-appointment of Price Waterhouse as auditors will be put to the Annual General Meeting.

By order of the Board.


D W Mattin, Secretary
10 June 1996

Severn Trent Water Utilities Finance Plc

Statement of Directors' responsibilities

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on pages 4 to 6, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors are required to prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Auditors to the Shareholders of Severn Trent Water Utilities Finance Plc

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3 the company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company at 31 March 1996 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Chartered Accountants and Registered Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

10 June 1996

Severn Trent Water Utilities Finance Plc
Profit and loss account
Year ended 31 March 1996

	<i>Notes</i>	<u>1996</u> <u>£000s</u>	<u>1995</u> <u>£000s</u>
Turnover		-	-
Operating costs		-	-
Operating profit		-	-
Net interest	3	<u>0.9</u>	<u>-</u>
Profit on ordinary activities before taxation		0.9	-
Taxation	4	<u>(0.3)</u>	<u>-</u>
Retained profit	8	<u>0.6</u>	<u>-</u>

All activities are continuing operations

Statement of total recognised gains and losses

As there are no recognised gains or losses other than the profit for the period a statement of total recognised gains and losses has not been included.

Historical cost profit and loss account

There is no difference between the result disclosed in the profit and loss account and the result on an unmodified historical cost basis.

Reconciliation of movements in shareholders' funds	<u>1996</u> <u>£000s</u>	<u>1995</u> <u>£000s</u>
Profit for the financial year	0.6	-
Issue of shares	<u>-</u>	<u>50.0</u>
Net increase to shareholders' funds	0.6	50.0
Opening shareholders' funds	<u>50.0</u>	<u>-</u>
Closing shareholders' funds	<u>50.6</u>	<u>50.0</u>

Severn Trent Water Utilities Finance Plc

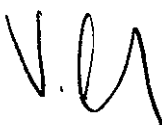
Balance sheet

As at 31 March 1996

	Notes	<u>1996</u> £000s	<u>1995</u> £000s
Current assets			
Debtors	5	37.5	37.5
Cash at bank and in hand		<u>13.4</u>	<u>12.5</u>
		50.9	50.0
Creditors: amounts falling due within one year	6	<u>(0.3)</u>	<u>-</u>
Net current assets		<u>50.6</u>	<u>50.0</u>
Capital and reserves			
Share capital	7	50.0	50.0
Profit and loss account	8	<u>0.6</u>	<u>-</u>
Total shareholders' funds		<u>50.6</u>	<u>50.0</u>

Signed on behalf of the Board who approved the accounts on 10 June 1996.

V Cocker
Director



Severn Trent Water Utilities Finance Plc

Notes to the financial statements
Year ended 31 March 1996

1 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention, in accordance with applicable Accounting Standards and comply with the requirements of the Companies Act 1985 ('the Act').

2 Directors :

Directors received no remuneration from the company during the year.

3 Net interest

	1996 £000s	1995 £000s
Interest receivable	0.9	-

4 Taxation

	1996 £000s	1995 £000s
UK corporation tax at 33%	0.3	-

5 Debtors

	1996 £000s	1995 £000s
Amounts due from group undertakings	37.5	37.5

6 Creditors: amounts falling due within one year

	1996 £000s	1995 £000s
Corporation tax payable	0.3	-

7 Share capital

	1996 £000s	1995 £000s
Authorised :		
50,000 Ordinary Shares of £1 each	50.0	50.0
Allotted, called up and partly paid:	£000s	£000s
50,000 Ordinary Shares of £1 each	12.5	12.5

The ultimate parent undertaking for which group accounts are prepared is Severn Trent Plc which is registered in England. The immediate parent undertaking is Severn Trent Water Limited which is registered in England. Copies of the group accounts are available from the Company Secretary, 2297 Coventry Road, Birmingham, B26 3PU.

8 Profit and loss account

	£000s
At 31 March 1995	-
Profit for the year	0.6
At 31 March 1996	0.6