

FINAL

UNITED UTILITIES (NO.2342) LIMITED

DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2000



COMPANY NUMBER: 3528783

UNITED UTILITIES (NO.2342) LIMITED

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UNITED UTILITIES (NO.2342) LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ending 31 March 2000 .

PRINCIPAL ACTIVITIES

The company has not traded and has been dormant throughout the period.

BUSINESS REVIEW

The company did not trade during the period and consequently no profit and loss account has been prepared.

DIRECTORS

The directors of the company during the period ended 31 March 2000 are set out below .

A V Ferry appointed 14 May 1998, resigned 6 August 1999
M J Edwards

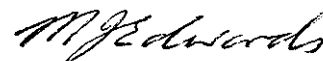
None of the directors held any interest in the share capital of the company.

YEAR 2000

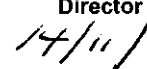
The company did not encounter any significant issues in relation to the Year 2000. Costs associated with Year 2000 compliance were not material.

Registered Office
P O Box 14
410 Birchwood Boulevard
Birchwood
Warrington
Cheshire WA3 7GA
United Kingdom

By order of the board



M J Edwards
Director



2000

UNITED UTILITIES (NO.2342) LIMITED

DIRECTORS' RESPONSIBILITIES

in respect of the preparation of financial statements

The directors are required by the Companies Act 1985 to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently ;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors' responsibility includes the maintenance of adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors also have a general responsibility at law 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.



KPMG Audit Plc

St James' Square
Manchester M2 6DS
United Kingdom

Auditors report to the members of United Utilities (NO. 2342) Limited

We have audited the financial statements on pages 6 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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 misstatement, 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 company's affairs as at 31 March 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants 5/1/01
Registered Auditor

UNITED UTILITIES (NO.2342) LIMITED

BALANCE SHEET
As at 31 March 2000

	Notes	2000	1999
FIXED ASSETS		£	£
Investments	2	3	3
		<u>3</u>	<u>3</u>
CURRENT ASSETS			
Sundry Debtors		2	2
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Sundry Creditors		3	3
Net Current Liabilities		<u>(1)</u>	<u>(1)</u>
Net Assets		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Equity share capital	3	2	2
Equity Shareholders' Funds		<u>2</u>	<u>2</u>

During the financial period, there have been no significant accounting transactions of the company required to be entered in its accounting records and accordingly no profit and loss account has been prepared. The company was dormant throughout the financial year.

Approved by the board of Directors on 14/11/.....2000 and signed on its behalf by

M J Edwards

M J Edwards
Director

The notes on page 6 form part of these financial statements.

UNITED UTILITIES (NO.2342) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

1a BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1b CASH FLOW STATEMENT

The company is exempt from the requirement to prepare a cash flow statement under the provision of Financial Reporting Statement 1 (FRS 1), being the wholly owned subsidiary of a UK company.

1c RELATED PARTY TRANSACTIONS

There were no transactions with other Group undertakings in the period.

2 FIXED ASSET INVESTMENTS

The company owns 100% of the ordinary share capital of Edemsa Power Limited, a company incorporated in the United Kingdom no.3528619. The company has not traded and is dormant

3 SHARE CAPITAL

2000 1999

£ £

Ordinary shares of £1 each:

Issued and fully paid

2 2

4 ULTIMATE PARENT UNDERTAKING

The ultimate parent company is United Utilities PLC, a company registered in England and Wales. Copies of the group financial statements of United Utilities PLC may be obtained from the Company Secretary, United Utilities PLC, Dawson House, Great Sankey, Warrington, Cheshire, WA5 3LW.