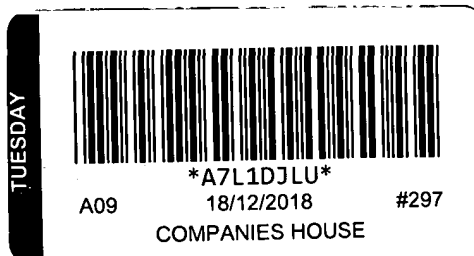


Utility Metering Services Limited
COMPANY NUMBER 03705740

Strategic Report, Directors' Report and Financial Statements
for the financial year ended 31 March 2018



The Company's registered office is:
Ropemaker Place
28 Ropemaker Street
London EC2Y 9HD
United Kingdom



Utility Metering Services Limited

2018 Strategic Report, Directors' Report and Financial Statements

Contents

	Page
Strategic Report	2
Directors' Report	4
Independent Auditors' Report to the members of Utility Metering Services Limited	6
Financial Statements	
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	
Note 1. Company information	11
Note 2. Summary of significant accounting policies	11
Note 3. Loss on ordinary activities before taxation	14
Note 4. Interest receivable and similar income	14
Note 5. Interest payable and similar charges	14
Note 6. Taxation	14
Note 7. Debtors	15
Note 8. Cash at bank	15
Note 9. Creditors: amounts falling due within one year	15
Note 10. Called up share capital	15
Note 11. Profit and loss account	16
Note 12. Dividends paid or provided for	16
Note 13. Related party information	16
Note 14. Directors' remuneration	16
Note 15. Contingent liabilities and commitments	16
Note 16. Ultimate parent undertaking	16
Note 17. Events after the reporting year	16

Utility Metering Services Limited

Strategic Report for the financial year ended 31 March 2018

In accordance with a resolution of the directors ("the Directors") of Utility Metering Services Limited ("the Company"), the Directors submit herewith the Strategic Report of the Company as follows:

Principal activities

The principal activity of the Company during the financial year ended 31 March 2018 was acting as agent in relation to meters it previously owned. The nature of ongoing activity of the Company is currently under review.

The Company operates under the trading name 'OnStream'.

Review of operations

The loss for the financial year ended 31 March 2018 was £31,000 (2017: £486,000 loss).

Operating loss for the financial year ended 31 March 2018 was £10,000 (2017: £6,000 loss).

As at 31 March 2018, the Company had net assets of £973,000 (2017: £1,004,000).

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Macquarie Group and are not managed separately. Accordingly, the principal risks and uncertainties of Macquarie Group Limited ("MGL"), which include those of the Company, are discussed in MGL's financial statements and can be obtained from the address given in Note 16.

On 23 June 2016, a referendum was held on Britain's membership of the European Union ("EU"), which resulted in the decision to exit the EU. The economic, regulatory and legal environment as a result will depend on the nature of the transitional arrangements. The Macquarie Group operates parts of its EU business from United Kingdom based subsidiaries such as the Company. The Company continues to assess the possible impacts and its strategic options.

Financial risk management

Risk is an integral part of the Macquarie Group's businesses. The Company is exposed to a variety of financial risks that include the effects of credit risk, liquidity risk and operational risk. Additional risks faced by the Company include legal, compliance and documentation risk. Responsibility for management of these risks lies with the individual businesses giving rise to them. It is the responsibility of the Risk Management Group ("RMG") to ensure appropriate assessment and management of these risks.

As ultimately an indirect subsidiary of MGL, the Company manages risk within the framework of the overall strategy and risk management structure of the Macquarie Group. RMG is independent of all other areas of the Macquarie Group, reporting directly to the Managing Director and the Board of MGL. The Head of RMG is a member of the Executive Committee of MGL. RMG authority is required for all material risk acceptance decisions. RMG identifies, quantifies and assesses all material risks and sets prudential limits. Where appropriate, these limits are approved by the Executive Committee and the Board of MGL. The risks which the Company is exposed to are managed on a globally consolidated basis for MGL as a whole, including all subsidiaries, in all locations. Macquarie's internal approach to risk ensures that risks in subsidiaries are subject to the same rigour and risk acceptance decisions.

Utility Metering Services Limited

Strategic Report (continued) for the financial year ended 31 March 2018

Financial risk management (continued)

Credit risk

Credit exposures, approvals and limits are controlled with the Macquarie Group's credit framework, as established by RMG.

Liquidity risk

Liquidity risk is the risk of an entity encountering difficulty in meeting obligations with financial liabilities. The Directors have adopted the risk model used by the Macquarie Group, as approved by RMG. This model is incorporated into the Macquarie Group's risk management systems to enable the Company to manage this risk effectively.

Interest rate risk

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances and receivables from other Macquarie Group undertakings, all of which earn a variable rate of interest. Interest bearing liabilities include payables to other Macquarie Group undertakings, which also incur a variable rate of interest.

Foreign exchange risk

The Company has foreign exchange exposures which include amounts receivable from and payable to other Macquarie Group undertakings and external parties which are denominated in non-functional currencies. Any material non-functional currency exposures are managed by applying a group wide process of minimising exposure at an individual company level.

Other matters

Given the straightforward nature of the business and the information provided elsewhere in this report, the Directors are of the opinion that the production of financial and non-financial key performance indicators, the entity's business impact on the environment and social, community and human rights issues in the Strategic Report is not necessary for an understanding of the development, performance or position of the business.

On behalf of the Board

X 
J Liddy
Director
30 July 2018

Utility Metering Services Limited

Directors' Report

for the financial year ended 31 March 2018

Company Number 03705740

In accordance with a resolution of the Directors of the Company, the Directors submit herewith the audited financial statements of the Company and report as follows:

Directors and Secretaries

The Directors who each held office as a Director of the Company throughout the year and until the date of this report, unless disclosed otherwise, were:

J Liddy

L Tricarico

S Mackie

The Secretary who held office as a Secretary of the Company throughout the year and until the date of this report, unless disclosed otherwise, was:

H Everitt

Results

The loss for the financial year ended 31 March 2018 was £31,000 (2017: £486,000 loss).

Dividends paid or provided for

No dividends were paid or proposed during the financial year (2017: £3,700,000).

State of affairs

There were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in the Directors' report.

Events after the reporting year

At the date of this report, the Directors are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 March 2018 not otherwise disclosed in this report.

Likely developments, business strategies and prospects

The Directors believe that no significant changes are expected other than those already disclosed in this report.

Financial risk management

The financial risk management objectives and policies of the Company and the exposure of the Company to credit risk, liquidity risk, interest rate risk, foreign exchange risk and operational risk are contained within the Strategic Report.

Utility Metering Services Limited

Directors' Report (continued) for the financial year ended 31 March 2018

Indemnification and insurance of Directors

As permitted by the Company's Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent purchased and maintained throughout the financial year directors' liability insurance in respect of the Company and its Directors.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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. The Directors 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.

Disclosure of information to auditors

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial year unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements, the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board

X
J Liddy
Director

30 July 2018

Utility Metering Services Limited

Independent auditors' report to the members of Utility Metering Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Utility Metering Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2018; the profit and loss account, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Utility Metering Services Limited

Independent auditors' report to the members of Utility Metering Services Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

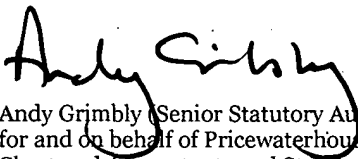
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.


Andy Grimbley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
30 July 2018

Utility Metering Services Limited

Financial Statements

Profit and loss account for the financial year ended 31 March 2018

	Notes	2018 £'000	2017 £'000
Administrative expenses	3	(10)	(6)
Operating loss		(10)	(6)
Interest receivable and similar income	4	19	-
Interest payable and similar charges	5	(47)	(1)
Loss on ordinary activities before taxation		(38)	(7)
Tax on loss on ordinary activities	6	7	(479)
Loss for the financial year	11	(31)	(486)

The above profit and loss account should be read in conjunction with the accompanying notes on pages 11 to 16, which form an integral part of the financial statements.

There were no other comprehensive income and expenses other than those included in the results above and therefore no separate statement of comprehensive income has been presented.

Utility Metering Services Limited

Balance sheet as at 31 March 2018

	Notes	2018 £'000	2017 £'000
Current assets			
Debtors	7	16,847	16,704
Cash at bank	8	562	1,133
		17,409	17,837
Current liabilities			
Creditors: amounts falling due within one year	9	(16,436)	(16,833)
Net current assets		973	1,004
Total assets less current liabilities		973	1,004
Net assets		973	1,004
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account	11	873	904
Total shareholders' funds		973	1,004

The above balance sheet should be read in conjunction with the accompanying notes on pages 11 to 16, which form an integral part of the financial statements.

The financial statements of Utility Metering Services Limited, registered number 03705740 on pages 8 to 16 were authorised for issue by the Board of Directors on 30 July 2018 and were signed on its behalf by:

X

J Liddy
Director

Utility Metering Services Limited

Statement of changes in equity for the financial year ended 31 March 2018

	Notes	Called up share capital £000	Profit and loss account ¹ £000	Total shareholders' funds £000
Balance at 1 April 2016		4,186	1,004	5,190
Loss for the financial year		-	(486)	(486)
Total comprehensive expense		-	(486)	(486)
Transactions with equity holders in their capacity as ordinary equity holders:				
Reduction of capital		(4,086)	4,086	-
Dividends and distributions paid or provided for	11	-	(3,700)	(3,700)
Balance at 31 March 2017	11	100	904	1,004
Loss for the financial year		-	(31)	(31)
Total comprehensive expense		-	(31)	(31)
Balance at 31 March 2018	11	100	873	973

¹The profit and loss account represents accumulated comprehensive income for the year and prior years less dividends paid.

The above statement of changes in equity should be read in conjunction with the accompanying notes on pages 11 to 16, which form an integral part of the financial statements.

Utility Metering Services Limited

Notes to the financial statements for the financial year ended 31 March 2018

Note 1. Company information

Utility Metering Services Limited ('the Company') acts as an agent in relation to meters it previously owned. The Company operates under the trading name 'OnStream'.

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office is Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD, United Kingdom. The Company's principal place of business is Suites 3-4 Warners Mill, Silks Way, Braintree CM7 3GB, United Kingdom.

Note 2. Summary of significant accounting policies

i) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

The Company is a qualifying entity for the purposes of FRS 101. Note 16 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

In accordance with FRS 101 the Company has availed of an exemption from the following paragraphs of IFRS:

- The requirements of IFRS7 'Financial Instruments: Disclosures'.
- The requirements of paragraphs 91 to 99 of IFRS13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of paragraphs 38 of International Accounting Standards ("IAS") 1 'Presentation of Financial Statements' to present comparative information requirements in respect of:
 - o Paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding).
 - o Paragraph 73(e) of IAS 16 'Property, Plant and Equipment'.
- The requirements of paragraphs 10(d), 16, 38B to 38D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements' (additional comparatives and capital management disclosures).
- The requirements of IAS 7 'Statement of Cash Flows'.
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation).
- The requirements of IAS 24 to disclose related party transactions entered into between two or more members of a group where both parties to the transaction are wholly owned within the group.

Utility Metering Services Limited

Notes to the financial statement (continued) for the financial year ended 31 March 2018

Note 2. Summary of significant accounting policies (continued)

i) Basis of preparation (continued)

New IFRS Standards that are effective and adopted in the current financial year

Amendment to IAS 12 'Income taxes' (effective for annual periods beginning on or after 1 January 2017)

New IFRS standards effective after 1 April 2018

IFRS 9 'Financial instruments' (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 January 2018)

IFRS 16 'Leases' (effective for annual periods beginning on or after 1 January 2019)

The Company has considered the potential impact of adopting the upcoming new accounting standards, IFRS 9, IFRS 15 and is in the process of assessing the impact of IFRS 16. The Company has concluded that the impact is not material in the case of IFRS 9 and IFRS 15 and anticipates that the impact of IFRS 16 will also, not be material.

Critical accounting estimates and significant judgements

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. There are no critical accounting estimates or significant judgements.

ii) Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

iii) Foreign currency translation

Functional and presentation currency

The Company's financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

iv) Revenue and expense recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for each major revenue stream as follows:

Net interest income/expense

Interest income and expense is brought to account using the effective interest rate method. The effective interest rate method calculates the amortised cost of a financial instrument and allocates the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts or payments through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

Expenses

Expenses are brought to account on an accrual basis and, if not paid at the end of the reporting period, are reflected on the balance sheet as a payable.

Utility Metering Services Limited

Notes to the financial statement (continued) for the financial year ended 31 March 2018

Note 2. Summary of significant accounting policies (continued)

iv) Revenue and expense recognition (continued)

Other operating income/(expense)

Net gains/(losses) arising from foreign currency transactions are accounted for as other operating income/(expenses) respectively.

v) Dividends

The interim dividend is recognised when paid, and the final dividend is recognised when approved by the shareholders.

vi) Taxation

The principles of the balance sheet method of tax effect accounting have been adopted whereby the income tax benefit for the financial year is the tax payable on the current year's taxable loss adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses.

Deferred tax assets are recognised when temporary differences arise between the tax bases of assets and liabilities and their respective carrying amounts which give rise to a future tax benefit, or when a benefit arises due to unused tax losses. In both cases, deferred tax assets are recognised only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences or tax losses. Deferred tax liabilities are recognised when such temporary differences will give rise to taxable amounts that are payable in future periods. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered or the liabilities are settled under enacted or substantively enacted tax law.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to either settle on a net basis, or realise the asset and settle the liability simultaneously. Current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

The Company undertakes transactions in the ordinary course of business where the income tax treatment and recognition of deferred tax assets requires the exercise of judgement. The Company estimates its tax liability based on its understanding of the tax law.

vii) Loans and receivables

Loans and receivables includes amounts due from related entities, which are non-derivative financial assets.

viii) Cash at bank

Cash at bank comprises call deposits with qualifying financial institutions.

ix) Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Utility Metering Services Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2018

Note 3. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	2018 £'000	2017 £'000
Auditors' remuneration		
Fees payable to the Company's auditors for the audit of the Company	11	5

The Company has no employees (2017: Nil)

Note 4. Interest receivable and similar income

	2018 £'000	2017 £'000
Interest receivable from other Macquarie Group undertakings	19	-
Total interest receivable and similar income	19	-

Note 5. Interest payable and similar charges

	2018 £'000	2017 £'000
Interest payable to other Macquarie Group undertakings	47	1
Total interest payable and similar charges	47	1

Note 6. Taxation

i) Tax (income)/expense included in loss

	2018 £'000	2017 £'000
Current tax		
UK corporation tax at 19% (2017: 20%)	(7)	(1)
Adjustment in respect of previous periods	-	480
Total current tax	(7)	479
Tax on loss on ordinary activities	(7)	479

ii) Reconciliation of effective tax rate

The income tax credit for the year ended 31 March 2018 is the same as (2017: expense is higher than) the standard rate of corporation tax in the United Kingdom of 19% (2017: 20%). The differences are explained below:

	2018 £'000	2017 £'000
Loss before taxation	(38)	(7)
Current tax credit at 19% (2017: 20%)	7	1
Effect of:		
Adjustment in respect of previous periods	-	(480)
Total tax on loss on ordinary activities	7	(479)

The tax rate for the current year is lower than the prior year due to change in the UK corporation tax rate. The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017, and will further reduce to 17% from 1 April 2020.

There is no provided or unprovided deferred tax.

Utility Metering Services Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2018

Note 7. Debtors

	2018 £'000	2017 £'000
Trade debtors	10,641	11,669
Income tax receivables	7	18
Amounts owed from other Macquarie Group undertakings	6,191	5,017
Prepayments and accrued income	8	-
Total debtors	16,847	16,704

Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to group undertakings at market rates and at 31 March 2018 the rate applied ranged between LIBOR plus 1.15% and LIBOR plus 1.47% (2017: LIBOR plus 1.67%).

Note 8. Cash at bank

	2018 £'000	2017 £'000
Cash at bank	562	1,133
Total cash at bank	562	1,133

Note 9. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Accruals	11	270
Taxation and social security	3,471	3,523
Amounts owed to other Macquarie Group undertakings	12,954	13,003
Other creditors	-	37
Total creditors: amounts falling due within one year	16,436	16,833

Amounts owed to other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company incurs interest on amounts owed to other Macquarie Group undertakings at market rates and at 31 March 2018 the rate applied was LIBOR plus 1.47% (2017: LIBOR plus 1.53%).

Note 10. Called up share capital

	2018 Number	2017 Number	2018 £'000	2017 £'000
Ordinary shares of £0.00037261 each				
Opening balance of fully paid ordinary shares	268,375,130	268,375,130	100	100
Closing balance of fully paid ordinary shares	268,375,130	268,375,130	100	100

Utility Metering Services Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2018

Note 11. Profit and loss account

	2018 £'000	2017 £'000
Profit and loss account		
Balance at the beginning of the financial year	904	1,004
Loss attributable to ordinary equity holders of the Company	(31)	(486)
Dividends paid on ordinary share capital (note 12)	-	(3,700)
Capital reduction during the year	-	4,086
Balance at the end of the financial year	873	904

Note 12. Dividends paid or provided for

	2018 £'000	2017 £'000
Dividends paid		
Dividends paid (2017 : £0.01378667 per share)	-	3,700
Total dividends paid (Note 11)	-	3,700

Note 13. Related party information

As 100% of the voting rights of the Company are controlled within the group headed by MGL, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of MGL, within which the Company is included, can be obtained from the address given in Note 16.

The Company does not have any related party transactions or balances other than those with entities which form part of the Macquarie Group as mentioned above.

Note 14. Directors' remuneration

During the financial years ended 2018 and 2017, all Directors were employed by and received all emoluments from other Macquarie Group undertakings. The Directors perform directors' duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

Note 15. Contingent liabilities and commitments

The Company has no contingent liabilities or commitments which are individually material or a category of contingent liabilities or commitments which are material.

Note 16. Ultimate parent undertaking

At 31 March 2018, the immediate parent undertaking of the Company is Macquarie Corporate and Asset Finance Limited.

The ultimate parent undertaking and controlling party of the Company is MGL. The largest group to consolidate these financial statements is MGL, a company incorporated in Australia. The smallest group to consolidate these financial statements is Macquarie Bank Limited ("MBL"), a company incorporated in Australia. Copies of the consolidated financial statements for MGL and MBL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South Wales, 2000 Australia.

Note 17. Events after the reporting year

There were no material events subsequent to 31 March 2018 that have not been reflected in the financial statements.