

Registered No: 3847226

Kelda Group QUEST Trustees Limited

Annual Report and Financial Statements

31 March 2009



Kelda Group QUEST Trustees Limited

Registered No: 3847226

Directors

S D McFarlane

I Leece (Appointed 09/01/2009)

Secretary

R C Hill

Independent auditors

PricewaterhouseCoopers LLP

Benson House

33 Wellington Street

Leeds

LS1 4JP

Registered office

Western House

Halifax Road

Bradford

BD6 2SZ

Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2009.

Principal activities and review of business developments

The principal activity of the company is to act solely as a trustee of the Kelda Group QUEST Trust. The company did not trade during the year, acting solely in its capacity as trustee. No dividend has been paid or proposed.

Future developments

The company will continue to act as trustee, with no other trade envisaged in the foreseeable future.

Principal risks and uncertainties

Due to the nature of the business, there are no material risks or uncertainties which require disclosure.

Key performance indicators

Due to the nature of the business, key performance indicators are not applicable.

Directors

The directors of the company during the year and up to the date of signing these financial statements are as listed on page 1.


Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office. A resolution concerning their reappointment will be proposed at the Annual General Meeting.

Directors' statement as to disclosure of information to the auditors

As at the date of this report, as far as each director is aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken such steps as he or she should have taken as a director in order to make him or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board


R C Hill
Secretary
10 November 2009

Statement of directors' responsibilities in respect of the annual report and the financial statements

The director is responsible for preparing the annual 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 director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The director confirms that he has complied with the above requirements in preparing the financial statements.

The director is responsible for keeping proper accounting records that 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. He is 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.

Independent auditors' report

to the members of Kelda Group QUEST Trustees Limited

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the balance sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and all of the other information listed on page one. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Independent auditors' report (continued)

to the members of Kelda Group QUEST Trustees Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the director's report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered accountants and registered auditors
Leeds
10 November 2009

Balance sheet

at 31 March 2009

	<i>Notes</i>	<i>2009</i> £	<i>2008</i> £
<i>Current assets</i>			
Debtors	5	1	1
		<hr/>	<hr/>
<i>Net assets</i>		<hr/>	<hr/>
		<hr/>	<hr/>
<i>Capital and reserves</i>			
Called up share capital	6	1	1
		<hr/>	<hr/>
<i>Total equity shareholders' funds</i>		<hr/>	<hr/>
		<hr/>	<hr/>

The financial statements on pages 6 to 8 were approved by the board of directors and were signed on its behalf by:



S D McFarlane
Director
10 November 2009

Notes to the financial statements

at 31 March 2009

1. Accounting policies

Basis of accounting

The accounts of the company are prepared on a going concern basis, under the historical cost convention in compliance with all applicable accounting standards (Financial Reporting Standards 'FRS', Statement of Standard Accounting Practice 'SSAP' and Urgent Issues Task Force abstract 'UITF') and the Companies Act 1985, except where otherwise stated in the notes to the financial statements.

The accounting policies have been reviewed in accordance with the requirements of FRS 18. The director considers that the accounting policies set out below remain most appropriate to the company's circumstances, have been consistently applied and are supported by reasonable and prudent estimates and judgements.

2. Profit and loss account

The company has not traded during the year. Therefore, the company has made neither profits nor losses and no profit and loss account has been presented. The auditors' remuneration was borne by Kelda Group Limited, in line with prior years.

3. Director's emoluments

The director is an employee of the immediate parent company Kelda Group Limited, and received no emoluments in respect of his services to the company (2008: £nil).

4. Staff numbers

The average number of persons employed by the company during the year was nil (2008: nil).

5. Debtors

	2009	2008
	£	£
Amounts owed by parent undertaking	1	1
	<u> </u>	<u> </u>

6. Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2009	2008	2009	2008
	£	£	£	£
Ordinary shares of £1 each	1,000	1,000	1	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

7. Cash flow statement

The company is a wholly owned subsidiary of Kelda Eurobond Co Limited and is included in the consolidated financial statements of Kelda Eurobond Co Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

Notes to the financial statements

at 31 March 2009

8. Related party transactions

The company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Kelda Holdings Limited group.

9. Ultimate parent undertaking

The company's immediate parent company is Kelda Group Limited. The company's ultimate parent company and controlling party is Kelda Holdings Limited, a company registered in Jersey. Kelda Holdco Limited, a company registered in England and Wales, is the parent undertaking of the smallest group to consolidate these accounts. Kelda Eurobond Co Limited, a company registered in England and Wales, is the largest UK group to consolidate these accounts. Copies of the group financial statements may be obtained from the Company Secretary, Kelda Eurobond Co Limited, Western House, Halifax Road, Bradford BD6 2SZ.