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Welsh Water Pension Trustee Limited

Directors' report and financial statements
for the year to 31 March 2008



Registered office:
Pentwyn Road
Nelson
Treharris
Mid Glamorgan
CF46 6LY

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Directors

Directors

P M Davis
P J Edwards
Z V Harcombe
M P Henderson
T P Jones

Company Secretary

R G Curtis

Directors' report

The directors submit their report together with the financial statements for the year to 31 March 2008.

Principal activity

The company has not traded during the period noted above. Accordingly no income statement has been presented.

Directors

The names of the directors of the company, who served during the year, are shown on page 1.

No director had any interest in the share capital of the company, or its parent company, at any time during the year.

By order of the Board



R G Curtis
Company Secretary

6 January 2009

Directors' responsibilities for the financial statements

The Directors are responsible for preparing the Annual Report and the Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Company financial statements for each financial year. They have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU.

The Company financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position of the Company and of the performance for that period; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing the Company 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 they have been prepared in accordance with IFRSs as adopted by the EU; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They 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.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report that complies with that law and those regulations.

By order of the Board



R G Curtis
Company Secretary

6 January 2009

Balance sheet as at 31 March 2008

	Note	2008 £	2007 £
Current assets			
Debtors	2	1	1
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	3	1	1
Equity shareholders' funds	4	<u>1</u>	<u>1</u>

For the year ended 31 March 2008 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

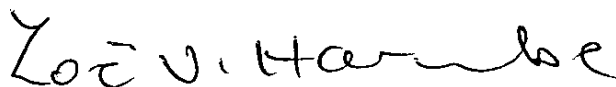
i. ensuring the company keeps accounting records which comply with section 221; and

ii. preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 4 to 5 were approved by the Directors on 6 January 2009 and were signed on its behalf by:



P M Davis
Director



Z V Harcombe
Director

Notes to the financial statements

1 Principal accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union and those parts of the Companies Act 1985 applicable to reporting under IFRS.

Basis of accounting

These financial statements have been prepared in accordance with the historical cost convention.

2 Debtors

	2008 £	2007 £
Authorised		
Amounts owed by immediate parent company	1	1

3 Called up share capital

	2008 £	2007 £
Authorised:		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid:		
1 ordinary shares of £1 each	1	1

4 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
At beginning of period and end of period	1	1

5 Immediate and Ultimate Holding Company

The immediate holding company is Dwr Cymru Cyfyngedig and the ultimate holding company and controlling party is Glas Cymru Cyfyngedig, both of which are registered in England and Wales. The largest and smallest group within which the results of the company are consolidated is that headed by Glas Cymru Cyfyngedig whose consolidated financial statements can be obtained from the Company Secretary at Pentwyn Road, Nelson, Treharris, Mid Glamorgan, CF46 6LY.