

# **Sembcorp Utilities (Bournemouth) Limited**

**Annual Report and Financial Statements for the  
Year ended 31 December 2011**



Registration Number 6532827

# **Sembcorp Utilities (Bournemouth) Limited**

## **Directors and advisors**

### **Directors**

D Guy

S Hands

S Richer (Resigned 30 November 2011)

### **Secretary**

A Ramsey

### **Independent Auditors**

KPMG

Chartered Accountants and Statutory Auditors

1 Forest Gate

Brighton Road

Crawley

RH11 9PT

### **Registered Office**

George Jessel House

Francis Avenue

Bournemouth

Dorset

BH11 8NX

# **Sembcorp Utilities (Bournemouth) Limited**

## **Directors' report for the year ended 31 December 2011**

The Directors submit their report and accounts for the year ended 31 December 2011

This report has been prepared under the small companies regime in accordance with part 15 of the Companies Act 2006

### **Principal Activity**

The Company operates as a holding company

### **Results and Dividends**

The result for year was a loss after tax of £178,000 (31 December 2010 loss of £124,000) (see above for comments on dividends paid and received during the year) The profit and loss account is shown on page 6

### **Going Concern**

The Directors are satisfied that the company is able to pay its liabilities as they fall due, accordingly these accounts are prepared on a going concern basis

### **Directors**

The following served as Directors of the Company during the period

S M J Richer (resigned 30/11/2011)

D Guy

S Hands

### **Key Performance Indicators**

Due to the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company

### **Directors' Indemnity provision**

There were third party indemnity provisions in place for the directors during the year and at the date of approval of the financial statements

# **Sembcorp Utilities (Bournemouth) Limited**

## **Directors' report for the year ended 31 December 2011 (continued)**

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

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 period. In preparing these 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 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

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. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Statement of disclosure of information to the auditors**

Each of the persons who is a director in office at the date the directors' report is approved confirms that so far as they are aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

### **Independent Auditors**

A resolution to reappoint KPMG LLP as auditors of the company will be proposed at the Annual General Meeting.

By order of the Board



D Guy  
Director

17<sup>th</sup> September 2012

## **Sembcorp Utilities (Bournemouth) Limited**

### **Independent auditor's report to the members of Sembcorp Utilities (Bournemouth) Limited.**

We have audited the financial statements of Sembcorp Utilities (Bournemouth) Limited for the year ended 31 December 2011 set out on pages 6 to 12

The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

## **Sembcorp Utilities (Bournemouth) Limited**

### **Independent auditor's report to the members of Sembcorp Utilities (Bournemouth) Limited (continued).**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



**P A Sanderson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
1 Forest Gate  
Brighton Road  
Crawley  
RH11 9PT

19<sup>th</sup> September 2012

# **Sembcorp Utilities (Bournemouth) Limited**

## **Profit and loss account**

**Year ended 31 December 2011**

		<b>Year ended</b>	<b>9 months</b>
		<b>31 December</b>	<b>ended</b>
		<b>2011</b>	<b>31 December</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Note</b>		
Administrative expenses	2	(176)	(137)
Operating loss		(176)	(137)
Interest payable and similar charges	3	(66)	(36)
<b>Loss on ordinary activities before taxation</b>		<b>(242)</b>	<b>(173)</b>
Tax on loss on ordinary activities	4	64	49
<b>Loss on ordinary activities after taxation</b>		<b>(178)</b>	<b>(124)</b>

All amounts relate to continuing operations

There were no recognised gains or losses other than shown above

There are no material differences between the loss on ordinary activities before taxation and the retained profit for the year and the historical cost equivalents

The notes on pages 8 to 12 form part of these financial statements

# Sembcorp Utilities (Bournemouth) Limited

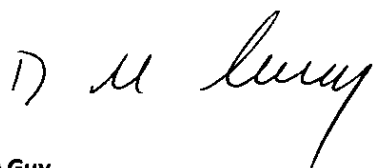
## Balance sheet

31 December 2011

		31 December 2011	31 December 2010
	Note	£'000	£'000
<b>Fixed assets</b>			
Investments	5	4,647	4,647
<b>Non-current assets</b>			
Debtors: amounts falling due after more than one year	6	31,749	31,749
<b>Current Assets</b>			
Debtors: amounts falling due within one year	6	348	285
Creditors amounts falling due within one year	7	(4,792)	(4,551)
<b>Net current liabilities</b>		<b>(4,444)</b>	<b>(4,266)</b>
<b>Net assets</b>		<b>31,952</b>	<b>32,130</b>
<b>Capital and reserves</b>			
Called up share capital	8	22,483	22,483
Share premium	9	9,266	9,266
Profit and loss account	9	203	381
<b>Total equity shareholders' funds</b>	9	<b>31,952</b>	<b>32,130</b>

The notes on pages 8 to 12 form part of these financial statements

The financial statements on pages 6 to 12 were approved by the Board of Directors on the 17<sup>th</sup> September 2012 and signed on its behalf by



**D Guy**  
Director

Registered Number 6532827



# **Sembcorp Utilities (Bournemouth) Limited**

## **Notes to the financial statements for the year ended 31 December 2011**

### **1. Accounting policies**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies which have been applied consistently throughout the period are set out below.

#### **Going Concern**

The directors do not believe the net current liabilities position impacts the going concern status of Sembcorp Utilities (Bournemouth) Limited as the directors have obtained assurances that the amount payable to subsidiary undertakings will not be requested should it impact the company's ability to continue as a going concern.

#### **Basis of preparation**

The financial statements have been prepared solely for Sembcorp Utilities (Bournemouth) Limited as an individual undertaking. The company has taken advantage of the exemption under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it, and its subsidiary undertaking, are included in the consolidated financial statements of its ultimate controlling party of Sembcorp Industries Limited, a company registered in Singapore.

#### **Investments**

Investments are valued at cost. Provision is made when the directors consider there has been an impairment in value.

#### **Cash flow statement**

The Company has taken advantage of exemptions under FRS 1 'Cash Flow Statements' (Revised 1996) not to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of Sembcorp Industries Limited and is included in the consolidated financial statements of Sembcorp Industries Limited.

#### **Dividends**

Dividends are accounted for under FRS 21 'Events After The Balance Sheet Date' which requires that dividends are recognised on a paid basis or when approved by the shareholders.

#### **Related Parties**

The Company has taken the exemption under the terms of FRS 8, "Related Party Disclosures", from disclosing related party transactions as the consolidated accounts of Cascadia NV, in which the Company is included, are publicly available.

#### **Foreign Currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

# Sembcorp Utilities (Bournemouth) Limited

## Notes to the financial statements for the year ended 31 December 2011 (continued)

	Year ended 31 December 2011	9 months ended 31 December 2010
	£'000	£'000
<b>2. Administrative Expenses</b>		
Management charges	(176)	(136)
Foreign exchange loss	-	(1)
	<b>(176)</b>	<b>(137)</b>

The auditors' remuneration for the year was borne by Sembcorp Utilities Services Limited (formerly Cascad Services Limited). The directors do not believe it is possible to determine the proportion of the auditors' remuneration attributable to Sembcorp Utilities (Bournemouth) Limited.

The directors received no remuneration in respect of their services to the company (31 December 2010 nil). Directors are remunerated by Sembcorp Utilities Services Limited, a fellow group company. The company has no employees during the year (31 December 2010 none).

	Year ended 31 December 2011	9 months ended 31 December 2010
	£'000	£'000
<b>3. Interest payable and similar charges</b>		
Interest payable to subsidiary undertaking	(66)	(36)
	<b>(66)</b>	<b>(36)</b>

	Year ended 31 December 2011	9 months ended 31 December 2010
	£'000	£'000
<b>4. Tax on loss on ordinary activities</b>		
Loss on ordinary activities before tax	(242)	(173)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 28%)	64	49
	<b>64</b>	<b>49</b>

The company has recognised the £64,000 as a current asset as the available loss is to be group relieved in the current tax year.

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

# Sembcorp Utilities (Bournemouth) Limited

## Notes to the financial statements for the year ended 31 December 2011 (continued)

5. Investments	Shares in Group Undertakings 31 December 2011 £'000	Shares in Group Undertakings 31 December 2010 £'000
<b>Cost</b>		
Balance brought forward	4,647	36,396
Investments transferred to subsidiary undertakings	-	(31,749)
As at 31 December 2011	4,647	4,647

The directors believe that the carrying value of the investments is supported by their underlying net assets

The Company directly holds the ordinary share capital in the following group undertakings as stated below

Name of company	Percentage held	Country of registration and place of business	Nature of business
Sembcorp Investments (UK) Ltd	100%	United Kingdom	Holding company
MillStream Insurance Limited	100%	Guernsey	Insurance
BWH Enterprises Limited	100%	United Kingdom	Holding company

The Company indirectly holds the ordinary share capital in the following group undertakings as stated below

Name of company	Percentage held	Country of registration and place of business	Nature of business
Sembcorp Bournemouth Water Ltd	100%	United Kingdom	Regulated water supply
Pre- Heat Ltd	100%	United Kingdom	Gas installation services
AquaCare (BWH) Limited	100%	United Kingdom	Plumbing & heating services
Sembcorp Bournemouth Water Investments Ltd	100%	United Kingdom	Holding company
Bournemouth Water Ltd	100%	United Kingdom	Dormant
West Hampshire Water Ltd	100%	United Kingdom	Dormant
Avon Valley Water Ltd	100%	United Kingdom	Dormant

	31 December 2011 £'000	31 December 2010 £'000
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### 6. Debtors

#### Amounts falling due after more than one year:

Amounts owed by subsidiary undertakings	31,749	31,749
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#### Amounts falling due within one year

Corporation tax	34	51
Amounts owed by subsidiary undertakings	314	234
	348	285

The amounts owed by subsidiary undertakings due after more than one year are repayable on the twentieth anniversary of the loan agreement which is dated 14 June 2010. The loan can be paid earlier at the borrower's discretion. There is no interest on this loan.

# Sembcorp Utilities (Bournemouth) Limited

## Notes to the financial statements for the period ended 31 December 2011 (continued)

	31 December 2011 £'000	31 December 2010 £'000
<b>7. Creditors amounts falling due within one year</b>		
Amounts owed to parent undertaking	(311)	(135)
Amounts owed to immediate parent undertaking	(53)	-
Amounts owed to subsidiary undertakings	(4,428)	(4,416)
	<b>(4,792)</b>	<b>(4,551)</b>

The amounts owed to subsidiary undertakings falling due within one year include an amount owing to Sembcorp Bournemouth Water Limited of £4,379,000 at an interest rate of 1 5% p a

8. Share capital	31 December 2011 Number	31 December 2011 £'000	31 December 2010 Number	31 December 2010 £'000
Allotted, called up and fully paid				
Ordinary shares of £1 each	22,483,000	22,483	22,483,000	22,483

### 9. Combined statement of movements in equity shareholders' funds and statement of movement on reserves

	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
Balances at 31 March 2010	22,483	9,266	505	32,254
Loss for the 9 month period	-	-	(124)	(124)
Balances at 31 December 2010	22,483	9,266	381	32,130
Loss for the year	-	-	(178)	(178)
<b>Balances at 31 December 2011</b>	<b>22,483</b>	<b>9,266</b>	<b>203</b>	<b>31,952</b>

### 10. Related party transactions

Advantage has been taken of the exemption given in FRS 8 to wholly owned subsidiaries, not to provide details of transactions and balances with other members of the Sembcorp Utilities (Netherlands) N V (formerly Cascal N V ) group

### 11. Cash flow statement

The company is exempt from producing a cash flow statement under FRS 1 (revised), being a wholly owned subsidiary of Sembcorp Utilities (Netherlands) N V (formerly Cascal N V )

## **Sembcorp Utilities (Bournemouth) Limited**

### **Notes to the financial statements for the year ended 31 December 2011 (continued)**

#### **12. Ultimate controlling parties**

Sembcorp Utilities (Bournemouth) Limited is wholly owned by Sembcorp Utilities (Netherlands) N V (formerly Cascal N V), a company registered in the Netherlands. The ultimate controlling party of Sembcorp Utilities (Netherlands) N V is Sembcorp Industries Limited which is the ultimate parent company of Sembcorp Utilities (Bournemouth) Limited and the largest entity into which the results of Sembcorp Utilities (Bournemouth) Limited are consolidated. Copies of the consolidated accounts for Sembcorp Industries Limited can be obtained from The Company Secretary, Sembcorp Bournemouth Water Limited, Francis Avenue, Bournemouth, Dorset, BH11 8NX.