

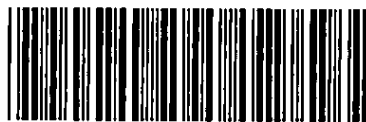
2536732

# **United Utilities (Overseas Holdings) Limited**

## **Report and Financial Statements**

31 March 2009

THURSDAY



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17/09/2009

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COMPANIES HOUSE

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Registered No: 2536732

## **Directors, advisers and other information**

### **Directors**

LA Bell  
C Cornish  
JM Perrie

### **Secretary**

UU Secretariat Limited

### **Auditors**

Deloitte LLP  
2 Hardman Street  
Manchester  
M60 2AT

### **Registered office**

Haweswater House  
Lingley Mere Business Park  
Lingley Green Avenue  
Great Sankey  
Warrington  
WA5 3LP

## Directors' report

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

The future performance of the company is contingent upon the performance of its subsidiaries. The performance of those subsidiaries and the associated risks are disclosed in the financial statements of those companies, which do not form part of this report.

### Principal activities, business review and future developments

The principal activity of United Utilities (Overseas Holdings) Limited is to act as an investment holding company. The company will continue to act as an investment holding company.

### Directors

The directors who held office during the year and to date are given below:

MG Beesley	(appointed 12 May 2008; resigned 29 August 2008)
LA Bell	
C Cornish	(appointed 12 May 2008)
MJ Edwards	(resigned 12 May 2008)
DJ Kilgour	(resigned 12 May 2008)
IJA Plenderleith	(appointed 12 May 2008; resigned 18 May 2009)
K Starling	(resigned 12 May 2008)
JM Perrie	(appointed 18 May 2009)

During the year, directors' and officers' liability insurance was in force.

### Results and dividends

The company's profit for the financial year is £464,000 (2008: £649,000). The directors do not recommend the payment of a dividend (2008: £nil).

### Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

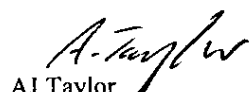
1. so far as he is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of s234ZA of the Companies Act 1985.

### Auditors

Pursuant to s386 of the Companies Act 1985 an elective resolution has been made dispensing with the requirements to re-appoint auditors annually. This election was in force immediately before 1 October 2007. Therefore Deloitte LLP is deemed to continue as auditors of the company.

By order of the board



AJ Taylor  
On behalf of UU Secretariat Limited, Company Secretary  
Date: 10 September 2009

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

The directors are 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 directors have 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 these 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 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 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. They 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.

## **Independent auditors' report**

**to the members of United Utilities (Overseas Holdings) Limited**

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the profit and loss account, statement of total recognised gains and losses, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 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).

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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **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 United Utilities (Overseas Holdings) 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 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Deloitte LLP

Chartered Accountants and Registered Auditors

Manchester, United Kingdom

Date: // September 2009

## Profit and loss account

For the year ended 31 March 2009

	Note	2009 £000	2008 £000
Administrative expenses		(5)	(7)
Other income	2	400	714
<b>Operating profit</b>	3	<u>395</u>	<u>707</u>
Interest receivable and similar income from ultimate parent undertaking		250	220
<b>Profit on ordinary activities before taxation</b>		<u>645</u>	<u>927</u>
Taxation on profit on ordinary activities	4	(181)	(278)
<b>Profit for the financial year</b>	9	<u><u>464</u></u>	<u><u>649</u></u>

All of the results shown above relate to continuing operations.

There are no recognised gains or losses in the current or prior year other than those stated in the profit and loss account. Accordingly, a separate statement of total recognised gains and losses has not been prepared.

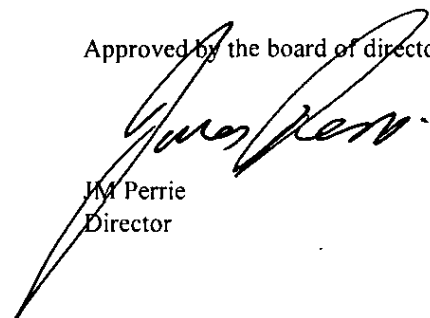


## Balance sheet

At 31 March 2009

	Note	2009 £000	2008 £000
<b>Fixed assets</b>			
Investments	5	52,000	52,000
<b>Current assets</b>			
Debtors	6	46,244	45,599
<b>Creditors: amounts falling due within one year</b>	7	(3,271)	(3,090)
<b>Net current assets</b>		42,973	42,509
<b>Total assets less current liabilities and net assets</b>		94,973	94,509
<b>Capital and reserves</b>			
Called up share capital	8	201,988	201,988
Profit and loss account	9	(107,015)	(107,479)
<b>Shareholders' funds</b>	9	94,973	94,509

Approved by the board of directors on 10 September 2009 and signed on its behalf by:



HM Perrie  
Director

## Notes to the financial statements

At 31 March 2009

### 1. Accounting policies

#### Basis of accounting

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

The company is profitable and has net assets that are considered by the directors to be fully recoverable, on this basis, the directors believe it is appropriate to prepare the accounts on a going concern basis.

#### Exemption from preparing group financial statements

The financial statements contain information about United Utilities (Overseas Holdings) Limited as an individual company and do not contain consolidated financial information as a parent of a group. At 31 March 2009, the company was exempt under s228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings were included by full consolidation in the financial statements of its ultimate parent United Utilities Group PLC, a company incorporated in Great Britain and registered in England and Wales.

#### Cash flow statement

At 31 March 2009, the company was a wholly owned subsidiary of United Utilities International Limited and was included in the consolidated financial statements of United Utilities Group PLC, which are publicly available and which include a consolidated cash flow statement. Consequently the company is exempt under the terms of Financial Reporting Standard 1 (revised) 'Cash flow statements' from publishing a cash flow statement.

#### Related party transactions

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 'Related party transactions' not to disclose transactions or balances with entities which form part of the group.

During the year no transactions were entered into with related parties other than with other group companies in the normal course of business.

#### Current taxation

Current taxation, including UK corporation tax and foreign tax, is based on the taxable profit for the period and is provided at amounts expected to be paid or recovered using tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

#### Fixed asset investments

Investments in subsidiary undertakings are stated at cost less any provision for impairments.

### 2. Other income

Other income in 2009 of £400,000 (2008: £714,000) represents receipts in respect of a Letter of Credit from International Water Holdings BV.

## Notes to the financial statements (continued)

At 31 March 2009

### 3. Operating profit

	2009	2008
	£000	£000

Operating profit is stated after charging:

Auditors' remuneration: audit of financial statements	2	2
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There have been no employees of the company during the year (2008: nil). The directors' emoluments are borne by other group companies and are not recharged (2008: £nil). This is because a fair apportionment is not possible as services are provided to multiple entities.

No amounts were paid to the company's auditors in respect of non-audit services in either year.

### 4. Taxation on profit on ordinary activities

#### (a) Analysis of the tax charge for the year

	2009	2008
	£000	£000
Current tax:		
Group relief payable at 28% (2008: 30%) (note 4(b))	181	278

#### (b) Factors affecting the tax charge for the year

The table below reconciles the notional tax charge at the UK corporation tax rate to the actual charge for taxation:

	2009	2008
	£000	£000
Profit on ordinary activities before taxation	645	927
Tax on profit on ordinary activities at 28% (2008: 30%)	181	278
Current tax charge (note 4(a))	181	278

## Notes to the financial statements (continued)

At 31 March 2009

### 5. Fixed asset investments

Shares in  
group  
undertakings  
£000

At 1 April 2008 and 31 March 2009

52,000

The company holds 100% of the ordinary share capital of NB Real Estate No 1 Limited which is incorporated in the United Kingdom. This company did not trade during the current or prior year.

The directors believe that NB Real Estate No 1 Limited is the only subsidiary undertaking whose results or financial position principally affect the company's own accounts and, as such, these are the only details provided.

### 6. Debtors

2009  
£000

2008  
£000

Amounts owed by parent undertaking

46,244

45,599

### 7. Creditors : amounts falling due within one year

2009  
£000

2008  
£000

Amounts owed to parent undertaking

2,411

2,411

Amounts owed to parent undertaking: group relief payable

857

676

Accruals

3

3

3,271

3,090

### 8. Called up share capital

2009  
£000

2008  
£000

Authorised

250,000,000 ordinary shares of £1.00 each

250,000

250,000

2009  
£000

2008  
£000

Allotted, called up, and fully paid

201,988,418 ordinary shares of £1.00 each

201,988

201,988

## Notes to the financial statements (continued)

At 31 March 2009

### 9. Capital and reserves

	Share capital £000	Profit and loss account £000	Total shareholders' funds £000
At 1 April 2008	201,988	(107,479)	94,509
Profit for the financial year	-	464	464
At 31 March 2009	201,988	(107,015)	94,973

### 10. Guarantees and other financial commitments

The company has provided a performance guarantee to a joint venture undertaking – Mahindra Water Utilities Limited (“the Operator”) a company incorporated in India. This guarantees the proper and punctual performance by the Operator of all its obligations under the agreement and undertakes to pay if the Operator fails to pay, all amounts whatsoever which the agreement provides are to be paid. The amount supported by United Utilities (Overseas Holdings) Limited as at 31 March 2009 is £2,894,000 (2008: £2,636,000).

### 11. Ultimate parent undertaking

The company's immediate parent undertaking was United Utilities International Limited, a company incorporated in Great Britain.

In the directors' opinion, the company's ultimate parent undertaking and controlling party was United Utilities Group PLC, a company incorporated in Great Britain.

The smallest group in which the results of the company were consolidated was that headed by United Utilities PLC. The consolidated accounts of this group are available to the public and may be obtained from: The Company Secretary, United Utilities PLC, Haweswater House, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington, WA5 3LP.

The largest group in which the results of the company were consolidated was that headed by United Utilities Group PLC. The consolidated accounts of this group are available to the public and may be obtained from: The Company Secretary, United Utilities Group PLC, Haweswater House, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington, WA5 3LP.