

**ALBION WATER LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**



# **ALBION WATER LIMITED**

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# **ALBION WATER LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO ALBION WATER LIMITED (CONTINUED)**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of Albion Water Limited for the year ended 31 March 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **Other information**

On ..... we reported, as auditors of Albion Water Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 March 2016, and our report included the following paragraph:

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the following matter:

The adequacy of the disclosure made in note 13 to the financial statements concerning the outcome of the final determination concerning the price of water purchased by the company for resale.

The ultimate outcome of the matter cannot presently be determined so no provision has been made in the accounts for any liability greater than that already provided for, nor has any income been recognised in respect of any determination that would be less than that already provided for.



**Mark Rogers (Senior Statutory Auditor)**  
**for and on behalf of HJS (Reading) Limited**  
Chartered Accountants and Statutory Auditors  
3 Richfield Place  
Richfield Avenue  
Reading

25/1/16

**ALBION WATER LIMITED**

**INDEPENDENT AUDITORS' REPORT TO ALBION WATER LIMITED (CONTINUED)**

**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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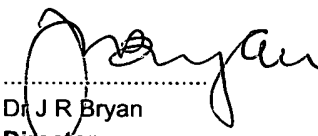
Berkshire  
RG1 8EQ

**ALBION WATER LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2016**

|                                                       | Notes | 2016<br>£          | £                | 2015<br>£          | £                |
|-------------------------------------------------------|-------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                   |       |                    |                  |                    |                  |
| Tangible assets                                       | 2     |                    | 326,329          |                    | 308,097          |
| <b>Current assets</b>                                 |       |                    |                  |                    |                  |
| Debtors                                               |       | 528,001            |                  | 669,382            |                  |
| Cash at bank and in hand                              |       | 1,734,441          |                  | 2,068,857          |                  |
|                                                       |       | <u>2,262,442</u>   |                  | <u>2,738,239</u>   |                  |
| <b>Creditors: amounts falling due within one year</b> |       | <u>(2,265,540)</u> |                  | <u>(2,580,808)</u> |                  |
| <b>Net current liabilities/(assets)</b>               |       |                    | (3,098)          |                    | 157,431          |
| <b>Total assets less current liabilities</b>          |       |                    | 323,231          |                    | 465,528          |
| <b>Provisions for liabilities</b>                     |       |                    | <u>(294,866)</u> |                    | <u>(335,124)</u> |
|                                                       |       |                    | <u>28,365</u>    |                    | <u>130,404</u>   |
| <b>Capital and reserves</b>                           |       |                    |                  |                    |                  |
| Called up share capital                               | 3     |                    | 1                |                    | 1                |
| Profit and loss account                               |       |                    | 28,364           |                    | 130,403          |
| <b>Shareholders' funds</b>                            |       |                    | <u>28,365</u>    |                    | <u>130,404</u>   |

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on ..... 22/3/16

  
 Dr J R Bryan  
 Director

Company Registration No. 03102176

# **ALBION WATER LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents the fair value of the income receivable in the ordinary course of business for goods and services provided. Turnover is recognised at the time of delivery of the service. Should the Company consider that the criteria for revenue recognition are not met at the time of the transaction, recognition of the associated turnover would be deferred until such time as the criteria have subsequently been met. No adjustment is made to turnover for estimated bad debt charges. These are charged to operating expenses.

#### **1.4 Research and development**

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation.

The company now has licences to operate in two areas, Knowle (sewerage) and Upper Rissington (water and sewerage). These were (are in the case of Upper Rissington) acquired at nil value. The commercial value of the assets are depreciated at rates shown below and are then negated by a similar amount to reflect that consideration is nil.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                             |                           |
|-----------------------------|---------------------------|
| Land and buildings Freehold | No depreciation on land   |
| Plant and machinery         | 2 years straight line     |
| Mechanical & electrical     | 10/20 years straight line |
| Infra structure             | 100 years straight line   |
| Sewerage treatment works    | 60 years straight line    |

#### **1.6 Pensions**

The company contributes to defined contribution schemes for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.7 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# ALBION WATER LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

### 2 Fixed assets

|                       | Tangible assets<br>£ |
|-----------------------|----------------------|
| <b>Cost</b>           |                      |
| At 1 April 2015       | 9,125,483            |
| Exchange differences  | (10,205,957)         |
| Additions             | 1,449,862            |
|                       | <hr/>                |
| At 31 March 2016      | 369,388              |
|                       | <hr/>                |
| <b>Depreciation</b>   |                      |
| At 1 April 2015       | 547,945              |
| Exchange differences  | (683,489)            |
| Charge for the year   | 178,603              |
|                       | <hr/>                |
| At 31 March 2016      | 43,059               |
|                       | <hr/>                |
| <b>Net book value</b> |                      |
| At 31 March 2016      | 326,329              |
|                       | <hr/>                |
| At 31 March 2015      | 308,097              |
|                       | <hr/>                |

### 3 Share capital

|                                           | 2016<br>£ | 2015<br>£ |
|-------------------------------------------|-----------|-----------|
| <b>Allotted, called up and fully paid</b> |           |           |
| 1 Ordinary of £1 each                     | 1         | 1         |
|                                           | <hr/>     | <hr/>     |

### 4 Ultimate parent company

The parent company is Albion Water Group Limited, a company registered in England and Wales. The ultimate controlling party is J R Bryan by virtue of his shareholding in that company.