

# Severn Trent General Partnership Limited

## Annual report and financial statements for the year ended 31 March 2019

Company number: SC416614

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# **Severn Trent General Partnership Limited**

## **Annual report and financial statements for the year ended 31 March 2019**

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# Severn Trent General Partnership Limited

## Company information

|                          |                                                                                        |
|--------------------------|----------------------------------------------------------------------------------------|
| <b>Company number</b>    | SC416614                                                                               |
| <b>Directors</b>         | J A Jackson<br>R C McPheely                                                            |
| <b>Secretary</b>         | A A Campbell (resigned on 15 April 2019)<br>G Eagle (appointed on 15 April 2019)       |
| <b>Registered office</b> | 50 Lothian Road<br>Festival Square<br>Edinburgh<br>Scotland<br>EH3 9WJ                 |
| <b>Banker</b>            | Barclays Bank PLC<br>1 Churchill Place<br>London<br>E14 5HP                            |
| <b>Solicitor</b>         | Herbert Smith Freehills LLP<br>Exchange House<br>Primrose Street<br>London<br>EC2A 2EG |

# **Severn Trent General Partnership Limited**

## **Strategic report**

### **Business review and principal activities**

The Company is a wholly owned subsidiary of Severn Trent Plc.

The Company acts as the general partner in Severn Trent Limited Partnership, a limited liability partnership established in Scotland on 27 February 2012. The Company also acts as the general partner in Severn Trent 2017 Limited Partnership, a limited liability partnership established in Scotland on 23 March 2017. The Company does not trade and therefore no income statement or statement of comprehensive income has been presented.

The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities or prospects in the next year.

*Severn Trent Plc manages its operations on a divisional basis and the Company's Directors do not believe that further key performance indicators for the Company are necessary to enhance the understanding of the development, performance or position of the business. The performance of the Severn Trent Water business, which includes this company, is discussed in Severn Trent Plc's Annual Report and Financial Statements (which does not form part of this report).*

### **Results and dividends**

The Company has not traded in the current or prior period and therefore no income statement has been presented. The Directors do not recommend the payment of a dividend.

### **Principal risks and uncertainties**

#### *Treasury management*

The Severn Trent Group manages its treasury operations on a group basis. Financial risk management is performed by Severn Trent's Group Treasury department. This includes assessment and mitigation of price risk, credit risk, liquidity risk and interest rate cash flow risk. The Group's treasury management policies and operations are discussed in Severn Trent Plc's Annual Report and Financial Statements (which does not form part of this report).

### **Financial position and going concern**

As at 31 March 2019, the Company has net assets of £100,000 (31 March 2018: £100,000), therefore the financial position of the Company is satisfactory.

The Directors have considered the financial position and future prospects of the Company. The Company participates in the Group's pooled banking arrangements and receives funding from the Severn Trent Group in the form of intra-group loans. When existing loans reach maturity the appropriate funding will be established as required to ensure such obligations can be met. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and annual financial statements.

By order of the Board



**G Eagle**  
**Company Secretary**  
**4 December 2019**

# Severn Trent General Partnership Limited

## Directors' report

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 March 2019.

### Matters included in the Strategic report

The following matters are included in the Company's Strategic report on the preceding page:

- Business review and principal activities of the Company
- Results and dividends
- Principal risks and uncertainties
- Financial position and going concern

### Post balance sheet events

There have been no significant post balance sheet events.

### Directors

The Directors who served during the year and to the date of this report are shown on page 1.

### Directors' indemnities

The Company's Articles of Association provide that Directors of the Company shall be indemnified by the Company against any costs incurred by them in carrying out their duties including defending any proceedings arising out of their positions as Directors in which they are acquitted or judgment is given in their favour or relief from any liability is granted to them by the court. These indemnities were in force throughout the year and up to the date of signing of the financial statements.

### Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by its activities. The Company operates in accordance with the Group policies of Severn Trent Plc which are described in the Group's Annual Report and Financial Statements (which does not form part of this report).

# Severn Trent General Partnership Limited

## Directors' report (continued)

### Directors' responsibilities statement

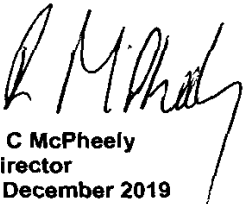
The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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) including FRS101 'Reduced Disclosure Framework'. 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 judgments and accounting 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 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.

Approved by and signed on behalf of the Board



R C McPheely  
Director  
4 December 2019  
Company Number: SC416614

# Severn Trent General Partnership Limited

## Balance sheet

At 31 March 2019

|                                    | Note | 2019<br>£'000 | 2018<br>£'000 |
|------------------------------------|------|---------------|---------------|
| <b>Current assets</b>              |      |               |               |
| Cash and cash equivalents          |      | 100           | 100           |
| <b>Total assets and net assets</b> |      | <b>100</b>    | <b>100</b>    |
| <b>Equity</b>                      |      |               |               |
| Called up share capital            | 5    | 100           | 100           |
| <b>Total equity</b>                |      | <b>100</b>    | <b>100</b>    |

For the year ended 31 March 2019, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 (the "Act") relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors on 4 December 2019. They were signed on its behalf by:

  
R C McPheely  
Director  
4 December 2019  
Company Number: SC41661

# **Severn Trent General Partnership Limited**

## **Notes to the financial statements**

### **1. Accounting policies**

#### **a) Accounting convention**

The financial statements have been prepared on the going concern basis (see Strategic report) under the historical cost convention as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value, and in accordance with applicable United Kingdom Accounting Standards and comply with the requirements of the United Kingdom Companies Act 2006 (the "Act"). The principal accounting policies, which have been applied consistently in the current and preceding year, are set out below.

Severn Trent General Partnership Limited (the Company) is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland.

#### **b) Basis of preparation**

The Company is a wholly owned subsidiary of Severn Trent Plc and is included in the consolidated financial statements of Severn Trent Plc.

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements. Accordingly, the Company has elected to apply FRS 101 Reduced Disclosure Framework. Therefore the recognition and measurement requirements of EU-adopted IFRS have been applied, with amendments where necessary in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) as these are Companies Act 2006 financial statements.

*As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.*

Where required, equivalent disclosures are given in the Group financial statements of Severn Trent Plc which are available to the public and can be obtained as set out in note 8.

### **2. Critical accounting judgments and sources of estimation uncertainty**

In the process of applying the Company's accounting policies, no critical accounting judgments or accounting estimates were required.

### **3. Employee numbers**

The average number of employees (including Executive Directors) during the year was nil (2018: nil).

### **4. Directors' remuneration**

The Directors received no emoluments for their services to the Company. The emoluments of the Directors are paid by other companies within the Severn Trent Group.



# Severn Trent General Partnership Limited

## Notes to the financial statements (continued)

### 5. Share capital

|                                                  | 2019<br>£'000 | 2018<br>£'000 |
|--------------------------------------------------|---------------|---------------|
| <b>Total issued and fully paid share capital</b> |               |               |
| 100,000 ordinary shares of £1 each               | 100           | 100           |

### 6. Contingent liabilities

The banking arrangements of the Company operate on a pooled basis with certain fellow group undertakings. Under these arrangements participating companies guarantee each other's balances only to the extent that their credit balances can be offset against overdrawn balances of other Severn Trent Group companies.

At 31 March 2019 the Company's maximum exposure under these arrangements was £100,000 (31 March 2018: £100,000).

### 7. Related party transactions

There have been no transactions with the Directors of the Company during the last financial year.

In accordance with the exemption allowed by FRS 101, no disclosure is made of transactions with other wholly owned member companies which are consolidated into the Severn Trent Plc Group.

### 8. Ultimate parent undertaking

The immediate parent undertaking is Severn Trent Water Limited, which is the parent undertaking and controlling party of the smallest group to consolidate these financial statements.

The ultimate parent undertaking and controlling party is Severn Trent Plc, which is the parent undertaking and controlling party of the smallest and largest group to consolidate these financial statements. Copies of the Severn Trent Plc consolidated financial statements can be obtained from Severn Trent Plc's registrars at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.