

Registration number: 04330144

# Anglian Water Services Holdings Limited

Annual Report and Financial Statements

for the year ended 31 March 2024

# Anglian Water Services Holdings Limited

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# **Anglian Water Services Holdings Limited**

## **Company Information**

### **Company secretary**

Claire Russell

### **Registered office**

Lancaster House  
Lancaster Way  
Ermine Business Park  
Huntingdon  
Cambridgeshire  
PE29 6XU

### **Auditors**

Deloitte LLP  
Statutory Auditor  
4 Brindley Pl  
Birmingham  
B1 2HZ

# **Anglian Water Services Holdings Limited**

## **Strategic Report for the year ended 31 March 2024**

The directors present their strategic report for the year ended 31 March 2024.

### **Review of the business**

The principal activity of the Company is to hold the shares of Anglian Water Services UK Parent Co Limited and it forms part of the group of four companies referred to as the Anglian Water Services Financing Group ("AWSFG").

The Company is a wholly owned subsidiary of AWG Group Limited and was put in place in 2002, when Anglian Water Services Limited's ("AWSL") covenanted and ring-fenced debt structure was established. The AWSFG provides protection for the customers of the principal trading company in the group, Anglian Water Services Limited, and bondholders of its subsidiary, Anglian Water Services Financing Plc, from risks associated with other non-regulated Anglian Water Group companies outside of the ring-fence.

The profit and loss account on page 13 shows the Company's results for the year. For the financial year ended 31 March 2024 the Company made £79.9 million profit on ordinary activities before taxation (2023: £169.0 million). Dividends of £79.9 million (2023: £169.0 million) were paid during the financial year.

Other than receiving and paying dividends, the Company does not trade and therefore the directors are of the opinion that key performance indicators are not relevant for an understanding of the Company's performance.

The Directors expect the activities of the Company to continue in the foreseeable future without material change.

### **Section 172 Statement**

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. Companies are required to report how the Board has had regard to the matters set out in section 172.

As a holding company within AWSFG, the day to day operation of the business is managed by employees of AWSL. Due to this relationship, the Company's values and reputation are highly integrated with that of AWSL and therefore, interested parties should read the disclosures within the consolidated group annual report and financial statements.

The Company does not trade, has no employees, customers or suppliers. The Company's stakeholders are therefore considered to be limited to other group companies with whom there are intercompany relationships.

### **Principal decisions made by the Board**

#### *Approval of annual financial statements*

Annually the Board approves the Company's financial statements. The Board is engaged on any key issues impacting the Company throughout the year and gives appropriate time and consideration to the approval.

To give support to the Directors and enable them to discharge their duties, all new Directors receive a thorough induction programme on appointment which includes receiving a full background information pack, visits to operational sites and briefings from Executive Directors and senior managers relevant to their role as Director of the Company, and other group companies as appropriate.

The Company offers the Directors in-house training as necessary to aid their professional development and awareness of business and sector-specific issues. In addition, the Company offers to fund participation on externally provided training courses. All Directors are entitled to receive, at the Company's expense, independent professional advice on any matters relating to their responsibilities as a Director.

## Anglian Water Services Holdings Limited


### Strategic Report for the year ended 31 March 2024

#### Principal risks and uncertainties

The Company, as part of the AWSFG of companies, guarantees unconditionally and irrevocably all the borrowings and derivatives of Anglian Water Services Financing Plc, which at 31 March 2024 amounted to £8,911.9 million (2023: £8,080.1 million). Debt raising fees are paid by AWSL and capitalised against the borrowings in AWSL.

From the perspective of the Company, principal risks and uncertainties are integrated with the principal risks and uncertainties of the AWSFG, which include those of the Company, are discussed in the Anglian Water Services Limited consolidated group annual report and financial statements which do not form part of this report.

Approved by the board on 10 June 2024 and signed on its behalf by:



.....  
Claire Russell  
Company secretary

## **Anglian Water Services Holdings Limited**

### **Directors' Report for the year ended 31 March 2024**

The directors present their report and the audited financial statements for the year ended 31 March 2024.

Directors of the company

The directors, who held office during the year, were as follows:

Natalie Ceeney

Polly Courtice

John Hirst (ceased 24 January 2024)

Zarin Patel

Peter Simpson

Steven Buck (ceased 22 November 2023)

Fraser Campbell

Andrew Hodson

Colin Matthews (ceased 22 November 2023)

Alistair Phillips-Davies

Anthony Donnelly (appointed 23 November 2023)

Rosalind Catherine Rivaz (appointed 21 November 2023)

Kathryn Louise Durrant (appointed 26 March 2024)

## **Anglian Water Services Holdings Limited**

### **Directors' Report for the year ended 31 March 2024**

#### **Dividends received**

Dividends of £79.9 million were received during the year to 31 March 2024 (2023: £169.0 million).

#### **Dividends paid**

Dividends of £79.9 million were paid during the year to 31 March 2024 (2023: £169.0 million).

#### **Post balance sheet events**

Refer to note 11 for details of post balance sheet events.

#### **Directors' liabilities**

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for legal action brought against its directors. The Company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purpose of section 234 ((2) - (6)) of the Companies Act 2006. This was in force for the full year and up to the date of signing.

#### **Disclosure of information to the auditors**

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### **Financial risk management policies and objectives**

##### **Objectives and policies**

The Company does not operate externally to the AWSFG and therefore its financial risks are governed by AWSFG's policies and procedures. These policies and procedures are discussed within the Anglian Water Services Limited consolidated group financial statements.

##### **Future developments**

The directors expect the activities as detailed in the Strategic Report to continue for the foreseeable future without material change.

##### **Carbon reporting**

The Company has a very limited direct impact on the environment and is not a significant producer of greenhouse gas emissions. The Company consumed less than 40,000 kilowatt hours of energy in the financial year and is therefore exempt from the new streamlined energy and carbon reporting disclosure requirements.

# Anglian Water Services Holdings Limited

## Directors' Report for the year ended 31 March 2024

### Going concern

The Directors believe, after due and careful enquiry that the company has sufficient resources to continue in operational existence for at least one year after the financial statements were authorised for issue and, therefore, consider it appropriate to adopt the going concern basis in preparing the 2024 financial statements. In making this statement, the Directors have considered that the company has no liabilities, significant assets, and pays out dividends only when dividends are received from subsidiary undertakings.

As the Company does not operate separately to the AWSFG, the Directors have undertaken a detailed review of the ability of the Group to meet its liabilities as they fall due for a period of at least 12 months from the date these financial statements are approved. This review assessed the liquidity requirements of the Group compared against the cash and facilities available to the Group as detailed below.

The Directors have considered the potential impacts of the current market volatility and uncertainties within the sector in relation to proposed PR24 Business Plan to Ofwat, and on-going investigations.

The base forecast, which has been updated for the latest internal and external information has been subjected to a range of severe but plausible downside scenarios as noted below. These forecasts include the additional £350 million Totex over and above what was allowed by Ofwat.

Anglian Water Services Limited has a single debt platform (sometimes known as a “common terms” or “CTA” debt platform) that has been structured so as to align with, and enhance, the regulatory protections contained in the Water Industry Act 1991 and Anglian Water’s Licence (an “Aligned Debt Programme”). Aligned Debt Programmes operate on a single covenant package and shared security and intercreditor arrangement that binds all debt providers.

The CTA introduces two terms, a Trigger Event and an Event of Default. The intention of a Trigger Event is that it is an early warning event designed to reinforce credit worthiness and to protect the Company and its finance creditors from an Event of Default occurring and consequently it is not considered to be a going concern event. It does not enable creditors to destabilise the Company through enforcing their security.

We have identified three stretching scenarios to stress test our base forecast. These scenarios, low, medium and severe focus on the impact of the cost-of-living crisis and higher unemployment, the impacts of lower inflation and higher interest rates, as well as specific risks to the business, such as cyber-attacks or increased costs/reduced revenue due to adverse weather events.

In assessing Going Concern the Directors have considered a number of perspectives, including liquidity and debt covenants and tested these against both the base scenario and the three downside scenarios.

- Liquidity - AWS holds sufficient liquidity to cover the going concern period even under the most severe downside scenario. There is no requirement for the business to raise further debt in the period and therefore the volatile market conditions have limited impact.
- Debt covenants - The business has significant headroom against Default Events (where class A interest cover ratio is less than 1.6:1) under its securitised covenants with no plausible scenario identified that would cause an Event of Default.

While certain worst-case scenarios indicate the potential for a Trigger Event, the Directors do not consider this possibility to constitute a material uncertainty related to going concern. As noted, a Trigger Event is not considered a going concern event and whilst it would result in dividend lock-up and prevent the business from raising new debt we have sufficient liquidity during the going concern period in this event even when including planned debt repayments.

In October the business submitted its PR24 Business Plan for consideration by Ofwat. Whilst this substantially falls outside of the going concern period it is worth noting that the plan submitted is financeable and financially resilient to downside stress tests performed.



## Anglian Water Services Holdings Limited

### Directors' Report for the year ended 31 March 2024

In addition to the impact of current volatility in debt markets on interest rates the Directors have considered the ability of the Company to raise debt and note that there is no requirement to do so in the Going Concern period.

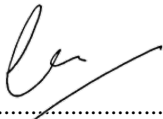
Based on the above, the Directors believe that the business has sufficient liquidity to meet its liabilities as they fall due.

For these reasons, the Directors believe it appropriate to continue to adopt the going concern basis in preparing the financial statements.

#### **Appointment of auditor**

Deloitte LLP have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed to the Board.

Approved by the board on 10 June 2024 and signed on its behalf by:



.....  
Claire Russell  
Company secretary

## **Anglian Water Services Holdings Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Strategic Report and 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 the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 101 "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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of 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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Anglian Water Services Holdings Limited**

### **Independent Auditor's Report to the Members of Anglian Water Services Holdings Limited**

#### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Anglian Water Services Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Anglian Water Services Holdings Limited**

### **Independent Auditor's Report to the Members of Anglian Water Services Holdings Limited**

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Understanding the company's position in the Anglian Water Services Financing Group "AWSFG" structure including the ability of the Directors to assess the going concern position of AWSFG
- Testing key controls over the cashflow forecasting and going concern assessment;
- Understanding Management's process to model the impact of going concern and agreeing relevant data points in the model to supporting documentation;
- Assessing the sophistication of the model used to prepare the forecasts, testing of the clerical accuracy of those forecasts and assessing the historical accuracy of forecasts prepared by Management;
- Assessing the assumptions used in establishing Management's base case, including comparison of key assumptions to plans for the remainder of the Asset Management Period ("AMP") 7, the submitted AMP 8 business plan and independent data sources where relevant;
- Evaluating liquidity, including in the scenario where future financing is restricted;
- Evaluating the external financing to establish and assess the covenant requirements attached to this financing;
- Confirming the availability of committed undrawn borrowing facilities;
- Recalculating and assessing the amount of headroom in the forecasts (liquidity and covenants) and recalculating compliance with covenants during the year ended 31 March 2024;
- Evaluating the sensitivity analysis including downside risks prepared by Management in the context of operational performance challenges, additional spend on capital projects, cyber risks and the broader socio-economic conditions; and
- Assessing the appropriateness of the disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Anglian Water Services Holdings Limited**

### **Independent Auditor's Report to the Members of Anglian Water Services Holdings Limited**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

## **Anglian Water Services Holdings Limited**

### **Independent Auditor's Report to the Members of Anglian Water Services Holdings Limited**

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

## **Anglian Water Services Holdings Limited**

### **Independent Auditor's Report to the Members of Anglian Water Services Holdings Limited**

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


Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

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.



Kate Hadley (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

10 June 2024

## Anglian Water Services Holdings Limited

### Profit and Loss Account for the year ended 31 March 2024

	Note	2024 £ 000	2023 £ 000
Turnover		-	-
Operating profit/(loss)		-	-
Income from shares in group undertakings	7	79,900	169,000
Profit before tax		79,900	169,000
Tax on profit	5	-	-
Profit for the year		79,900	169,000

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the results above and therefore no separate statement of comprehensive income has been presented.



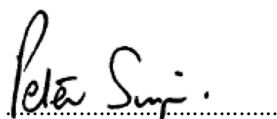
## Anglian Water Services Holdings Limited

(Registration number: 04330144)  
Balance Sheet as at 31 March 2024

	Note	31 March 2024 £ 000	31 March 2023 £ 000
<b>Fixed assets</b>			
Investments	6	<u>2,796,093</u>	<u>2,796,093</u>
<b>Net assets</b>		<u>2,796,093</u>	<u>2,796,093</u>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Share premium reserve		1,187,000	1,187,000
Retained earnings		<u>1,609,093</u>	<u>1,609,093</u>
Shareholders' funds		<u>2,796,093</u>	<u>2,796,093</u>

Notes 1 to 11 are an integral part of these financial statements.

Approved by the board on 10 June 2024 and signed on its behalf by:



Peter Simpson  
Director

## Anglian Water Services Holdings Limited

### Statement of Changes in Equity for the year ended 31 March 2024

	<b>Share capital £ 000</b>	<b>Share premium £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 1 April 2023	-	1,187,000	1,609,093	2,796,093
Profit for the year	-	-	79,900	79,900
Total comprehensive income	-	-	79,900	79,900
Dividends distributed in the period 9	-	-	(79,900)	(79,900)
At 31 March 2024	-	1,187,000	1,609,093	2,796,093

	<b>Share capital £ 000</b>	<b>Share premium £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 1 April 2022	-	1,187,000	1,609,093	2,796,093
Profit for the year	-	-	169,000	169,000
Total comprehensive income	-	-	169,000	169,000
Dividends distributed in the period 9	-	-	(169,000)	(169,000)
At 31 March 2023	-	1,187,000	1,609,093	2,796,093

# Anglian Water Services Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 2024

### 1 General information

The Company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:

Lancaster House  
Lancaster Way  
Ermine Business Park  
Huntingdon  
Cambridgeshire  
PE29 6XU

These financial statements were authorised for issue by the board on 10 June 2024.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

No critical accounting judgements or key sources of estimation uncertainty were required in the preparation of these financial statements.

#### Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of the Act.

The Company is a qualifying entity for the purposes of FRS 101. Note 10 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Given the straight forward nature of the Company no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, have been identified by management.

The financial statements are prepared in accordance with the historical cost convention and have been prepared on the going concern basis as noted in the Director's Report on page 6.

# Anglian Water Services Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 2024

### Summary of disclosure exemptions

FRS 101 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- The following paragraphs of IAS1 "Presentation of Financial Statements"
- 10(d) (statement of cash flows);
- 16 (statement of compliance with IFRS);
- 38 (comparative information in respect of paragraph 79(a)(iv) of IAS1);
- 38A (requirement for minimum of two primary statements including cash flow statements); and
- 111 (cash flow statement information)
- 134 -136 (capital management disclosures)
- -IAS 7 "Statement of cash flows"
- Paragraph 30-31 of IAS 8 "Accounting policies, changes in accounting estimates and errors" (requirement for the disclosure information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities, in accordance with IFRS 13 'Fair Value Measurement.
- Paragraph 8(d) of FRS 101 the requirements of IFRS 7 'Financial Instruments: Disclosures'
- The requirements of IAS 24 "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.

### Exemption from preparing group financial statements

The financial statements contain information about Anglian Water Services Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Osprey Acquisitions Limited, a company incorporated in England.

### Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 April 2023 have had a material effect on the financial statements.

### Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

# Anglian Water Services Holdings Limited

## Notes to the Financial Statements for the year ended 31 March 2024

### Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

### Impairment

At each balance sheet date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Capital management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern and continue to pay dividends. The Company's capital is represented by its share capital as detailed in note 8.

### Dividends

Dividend income is recognised when the right to receive the payment is established.

Dividend payments are recognised in the period in which they are paid or when the Company has a constructive or legal commitment to pay the dividend.

## 3 Directors' remuneration

The directors received no remuneration for the services to the company (2023: £nil). The directors are remunerated through another group company and no recharges are made.

There were no employees in the company during this or the previous financial year.

## 4 Auditor's remuneration

The remuneration for the audit of the Company financial statements of £5,000 (2023: £5,000) is borne by Anglian Water Services Limited and not recharged to the Company.

## Anglian Water Services Holdings Limited

### Notes to the Financial Statements for the year ended 31 March 2024

#### 5 Taxation

Tax charged/(credited) in the profit and loss account

2024	2023
£ 000	£ 000

#### Current taxation

UK corporation tax

-	-
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It has been agreed that companies within the Anglian Water Services Financing Group (AWSFG) will not pay each other for tax losses.

The nil tax charge on the Company's profit before tax differs from the notional amount calculated by applying the UK corporation tax rate of 25 per cent (2023: 19 per cent) to the profit before tax as follows:

2024	2023
£ 000	£ 000

Profit before tax	79,900	169,000
Corporation tax at standard rate	19,975	32,110
Decrease from effect dividends from UK companies	(19,975)	(32,110)
Total tax charge/(credit)	-	-

## Anglian Water Services Holdings Limited

### Notes to the Financial Statements for the year ended 31 March 2024

#### 6 Investments

<b>Subsidiaries</b>	<b>£ 000</b>
<b>Cost</b>	
At 1 April 2023	2,796,093
At 31 March 2024	2,796,093
<b>Carrying amount</b>	
At 31 March 2024	2,796,093

The investment represents 100 per cent of the ordinary share capital of Anglian Water Services UK Parent Co Limited.

Name of subsidiary	Principal activity	Registered office	Holding 2024	Holding 2023
Anglian Water Services UK Parent Co Limited *	Holding Company	Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6XU	100%	100%
Anglian Water Services Ltd **	Water and Wastewater Services	Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6XU	0%	0%
Anglian Water Services Financing Plc **	Financing Company	Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6XU	0%	0%

Details of the subsidiaries as at 31 March 2024 are as follows:

\* Owned directly by Anglian Water Services Holdings Limited

\*\* Direct holding is 0%, indirect holding is 100% (2023: direct holding 0% indirect holding 100%)

#### 7 Income from shares in group undertakings

A dividend of £79.9 million was received during the year ended 31 March 2024 from the investment in Anglian Water Services UK Parent Co Limited (2023: £169.0 million).

## Anglian Water Services Holdings Limited

### Notes to the Financial Statements for the year ended 31 March 2024

#### 8 Share capital

Allotted, called up and fully paid shares

	31 March 2024		31 March 2023	
	No.	£	No.	£
Ordinary shares of £1 each	5	5	5	5

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#### 9 Dividends

<i>Dividends distributed</i>	2024	2023
	£ 000	£ 000
Previous year final dividend of £15.9m (2023: £33.8m) per ordinary share	<b>79,900</b>	169,000

The dividend of £79.9 million was paid during the financial year to 31 March 2024, being the final dividend for the year ended 31 March 2023.

#### 10 Parent and ultimate parent undertaking

The company's immediate parent undertaking is AWG Group Limited, a company registered in England and Wales.

Osprey Acquisitions Limited is the parent company of the smallest group to consolidate the financial statements of the Company, copies of which can be obtained from the Company Secretary at the registered office: Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.

Anglian Water Group Limited is the parent company of the largest group to consolidate the financial statements of the company, copies of which can be obtained from the Company Secretary at its registered address: 44 Esplanade, St Helier, Jersey JE4 9WG.

The Directors consider Anglian Water Group Limited to be the ultimate parent undertaking and controlling party. Anglian Water Group Ltd is itself owned by a consortium of investors consisting of: CPP Investment Board Private Holdings (6) Inc., Global InfraCo (HK) E. Limited, First Sentier Investors (Luxembourg) Infrastructure (B) GP S.a.r.l. as managing general partner of Infrastructure Lux (B) SCSp, Camulodunum Investments Ltd, and Infinity Investments S.A.



## **Anglian Water Services Holdings Limited**

### **Notes to the Financial Statements for the year ended 31 March 2024**

#### **11 Events after the balance sheet date**

On 10 June 2024, the Board agreed to recommend an interim dividend of £88.6 million to the Company's immediate parent undertaking which is to be paid on 14 June 2024.

Other than the above there have been no events between the balance sheet date, and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.