

United Utilities Water Finance PLC

Report and Financial Statements

31 March 2018

Contents

Directors, advisers and other information	2
Strategic report	3
Directors' report	4
Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements	5
Independent auditor's report	6
Income statement	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12

Directors, advisers and other information

Directors

PA Aspin
SR Gardiner
JR Houlden
BF Murphy

Secretary

UU Secretariat Limited

Auditor

KPMG LLP
St Peter's Square
Manchester
M2 3AE

Registered office

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

Strategic report

Business review

The company is a wholly owned subsidiary of United Utilities Water Limited.

Principal activity and review of business

The principal activity of the company is the provision of long term finance for its immediate parent, United Utilities Water Limited (U UW). During the year the company continued to raise long term finance and in turn on-lent such finance to its immediate parent through back-to-back financing agreements. A management fee of £50,000 (2017: £50,000) has been charged in relation to the services provided.

The 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 this business is consolidated together with that of its parent and discussed in the annual report and financial statements of U UW.

Principal risks and uncertainties

The United Utilities group manages its treasury operations centrally. Financial risk management and the implementation of associated hedging is carried out by the United Utilities Group PLC's (UUG) treasury department. The group's treasury management policies and operations are discussed in UUG's annual report and financial statements.

The company raises debt finance for its immediate parent, U UW. Amounts raised are passed on to U UW on identical terms. U UW guarantees the company's obligations under these arrangements. The principal risk of these arrangements is that U UW is unable to meet its obligations to the company.

The Strategic report was approved by the board on 12 June 2018 and signed on its behalf by:

JR Houlden
Director

Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2018.

Results and dividends

The company recorded a profit for the year of £41,000 (2017: £41,000). The directors have not recommended a final ordinary dividend for the year ended 31 March 2018 (2017: £nil).

Going concern

The directors' considerations in preparing these financial statements on a going concern basis are set out in note 1.

Directors

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

PA Aspin
SR Gardiner
JR Houlden
BF Murphy

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

Disclosure of information to the auditor

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 auditor is 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 auditor is aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

The board has decided to recommend KPMG LLP to be reappointed as external auditor to the company at the forthcoming AGM and an authority for the directors to set the remuneration of the auditor will also be sought.

Approved by the board and signed on its behalf by:

JR Houlden
Director
12 June 2018

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

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, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Independent auditor's report

to the members of United Utilities Water Finance PLC

1. Our opinion is unmodified

We have audited the financial statements of United Utilities Water Finance PLC ("the Company") for the year ended 31 March 2018 which comprise the Income statement, the Statement of financial position, the Statement of changes in equity, and the related notes, including the accounting policies on page 12.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU);
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on 9 October 2017. The period of total uninterrupted engagement is for the seven financial years ended 31 March 2018. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

<p>Carrying value of borrowings</p> <p>Carrying value of £1,029.2 million (2017: £444.8 million)</p> <p><i>Refer to page 12 (accounting policy), and page 15 (financial disclosures).</i></p>	
<p>The Risk</p> <p>Appropriate input:</p> <p>The company has significant borrowings held at amortised cost. Due to the significance of these balances, there is a risk that the related financial liabilities are misstated.</p>	<p>Our Response</p> <p>Our procedures included:</p> <p><i>Control observation</i> - assessing controls over the identification, measurement and management of borrowings;</p> <p><i>Tests of details</i> - testing a sample of borrowings to source documentation.</p>

Independent auditor's report

to the members of United Utilities Water Finance PLC

	<p>Reperformance – independently reperforming calculations of carrying value and comparing to the client's result; and</p> <p>Assessing transparency - considering the adequacy of the company's disclosures;</p> <p>Our results:</p> <p>The results of our testing were satisfactory and we found the carrying value of borrowings to be acceptable.</p>
--	--

3. Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £6.5 million (2017: £4.5 million), determined with reference to a benchmark of total assets of £1,034.2 million, of which it represents 0.6% (2017: 1.0%).

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.3 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

4. We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

5. We have nothing to report on the other information in the strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

6. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

7. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 5, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free

Independent auditor's report

to the members of United Utilities Water Finance PLC

from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 other irregularities (see below), or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Irregularities – ability to detect

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

In addition, we considered the impact of laws and regulations in the specific areas of environmental law, health and safety, anti-bribery, employment law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the company's activities and its legal form. With the exception of any known or possible non-compliance and, as required by auditing standards, our work in respect of these was limited to enquiry of the directors and other management and inspection of regulatory and legal correspondence. We considered the effect of any known or possible non-compliance in these areas as part of our procedures on the related financial statement items.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

As with any audit, there remained a higher risk of non-detection of non-compliance with relevant laws and regulations, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

8. The purpose of our audit work and to whom we owe our responsibilities

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.

William Meredith (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

St Peter's Square, Manchester, M2 3AE.

12 June 2018

Income statement
for the years ended 31 March

	Note	2018 £000	2017 £000
Operating income		50	50
Operating profit	2	50	50
Investment income	3	26,177	19,205
Finance expense	4	(26,176)	(19,204)
Investment income and finance expense		1	1
Profit before tax		51	51
Tax	5	(10)	(10)
Profit after tax		41	41

All of the results shown above relate to continuing operations.

The company had no comprehensive income other than the profit above. Accordingly, a separate statement of other comprehensive income has not been prepared.

Statement of financial position

at 31 March

	Note	2018 £000	2017 £000
ASSETS			
Non-current assets			
Trade and other receivables	6	1,029,201	444,810
Current assets			
Trade and other receivables	6	4,967	2,691
Total assets		<u>1,034,168</u>	<u>447,501</u>
LIABILITIES			
Non-current liabilities			
Borrowings	8	(1,029,201)	(444,810)
Current liabilities			
Trade and other payables	7	(4,794)	(2,559)
Total liabilities		<u>(1,033,995)</u>	<u>(447,369)</u>
Total net assets		<u>173</u>	<u>132</u>
Capital and reserves attributable to equity holders of the company			
Called up share capital	9	50	50
Profit and loss account		123	82
Shareholders' funds		<u>173</u>	<u>132</u>

The financial statements of United Utilities Water Finance PLC, registered number 9227416, were approved by the board of directors and authorised for issue on 12 June 2018. They were signed on its behalf by:

JR Houlden
Director

Statement of changes in equity

for the years ended 31 March

	Share capital £000	Profit and loss account £000	Total £000
At 31 March 2016	50	41	91
Profit after tax	-	41	41
At 31 March 2017	<u>50</u>	<u>82</u>	<u>132</u>
Profit after tax	-	41	41
At 31 March 2018	<u>50</u>	<u>123</u>	<u>173</u>

Notes to the financial statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards and applicable company law.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) and so the financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'. As such the recognition and measurement requirements of EU-adopted IFRS have been applied, with amendments where necessary in order to comply with 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 accounts.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to cash flow statements and related party transactions.

Where required, equivalent disclosures are given in the group accounts of UUG. The group accounts of UUG are available to the public and can be obtained as set out in note 12.

The financial statements have been prepared in sterling and rounded to the nearest thousand unless otherwise stated.

Going concern

In preparing these financial statements on the going concern basis, the directors have considered the company's net assets position. The net assets are deemed to be fully recoverable. In addition, UUG acts as guarantor in relation to the company's borrowings, which are long term in nature. For these reasons, the directors have concluded that the going concern basis continues to be appropriate.

Investment income

Interest income is recognised in the profit and loss account in the period in which it is accrued.

Finance expense

Finance expense is recognised in the profit and loss account in the period in which it is accrued.

Current tax

Current tax, being UK corporation 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 profit and loss account 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.

Financial instruments

Financial assets and financial liabilities are recognised and derecognised on the company's statement of financial position on the trade date when the company becomes/ceases to be a party to the contractual provisions of the instrument.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments, and that are not quoted in an active market are classified as loans and receivables. Such assets are measured at fair value on initial recognition and are subsequently measured at amortised cost using the effective interest method less any impairment.

Borrowings

Bonds and loans are initially measured at fair value being the cash proceeds received net of any direct issue costs. They are subsequently measured at amortised cost applying the effective interest method. The difference between the net cash proceeds received at inception and the principal cash flows due at maturity is accrued over the term of the borrowing.

Notes to the financial statements

1. Accounting policies (continued)

Foreign exchange

Foreign currency transactions arising during the period are translated into sterling at the rate of exchange ruling on the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated into sterling at the relevant rates of exchange applicable at that date. All profits and losses on translation arising during the period are included in the net profit and loss for the period.

2. Operating profit

A management fee of £50,000 (2017: £50,000) has been charged in relation to services provided to UUV during the year.

There have been no employees of the company during the year other than the directors. The directors' emoluments are borne by other group companies and are not specifically recharged. The value of qualifying services rendered to the company by the directors is instead included in the value of the management fee. The directors' allocation of remuneration to this company is immaterial.

The auditor's remuneration for the statutory audit of the company was borne by another group undertaking in the current year. The amount attributable but not recharged to United Utilities Water Finance PLC was £17,000 (2017: £16,000). There were no non-audit services provided by the auditor to the company (2017: £nil).

3. Investment income

	2018 £000	2017 £000
Interest receivable on amounts owed by immediate parent undertaking	15,632	4,775
Foreign exchange gains on borrowings held at amortised cost	10,545	-
Foreign exchange gains on loans receivable from immediate parent undertaking	-	14,430
	<u>26,177</u>	<u>19,205</u>

4. Finance expense

	2018 £000	2017 £000
Interest payable on borrowings held at amortised cost	15,631	4,774
Foreign exchange losses on loans receivable from immediate parent undertaking	10,545	-
Foreign exchange losses on borrowings held at amortised cost	-	14,430
	<u>26,176</u>	<u>19,204</u>

5. Tax

(a) Analysis of the tax charge for the year

	2018 £000	2017 £000
Current tax:		
Total current tax charge: group relief payable	<u>10</u>	<u>10</u>

Notes to the financial statements

5. Tax (continued)

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

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2018 £000	2017 £000
Profit before tax	51	51
Tax at the UK corporation tax rate of 19% (2017: 20%)	10	10
Actual current tax charge	10	10

6. Trade and other receivables

	2018 £000	2017 £000
Amounts owed by immediate parent undertaking:		
Loans	1,029,201	444,810
Interest receivable	4,764	2,540
Other	203	151
	<u>1,304,168</u>	<u>447,501</u>

At 31 March 2018 the company had £4,967,000 (2017: £2,691,000) of trade and other receivables classified as current.

The amounts owed by immediate parent undertaking are classified as loans and receivables and are on identical terms to the external borrowings raised by the company (see note 8). The fair value of these instruments was £1,018,388,000 as at 31 March 2018 (2017: £452,450,000). The fair values disclosed are all classified as level 2 under the IFRS 13 hierarchy, being derived from inputs other than quoted prices that are observable for the asset, either directly or indirectly.

7. Trade and other payables

	2018 £000	2017 £000
Accruals – interest payable on borrowings	4,764	2,539
Amounts owed to intermediate parent undertakings – group relief payable	30	20
	<u>4,794</u>	<u>2,559</u>

Notes to the financial statements

8. Borrowings

The principal economic terms and conditions of outstanding borrowings, along with fair value and carrying value, were as follows:

	Currency	Year of final repayment	Fair value £000	2018 Carrying value £000	Fair value £000	2017 Carrying value £000
Borrowings measured at amortised cost						
0.013%+RPI 25m IL bond	GBP	2025	28,144	26,905	28,063	25,877
2.0% 300m bond	GBP	2025	299,592	298,297	-	-
2.92% 739m bond	HKD	2026	65,900	67,098	-	-
1.129% 52m bond	EUR	2027	45,007	45,566	43,545	44,362
2.37% 830m bond	HKD	2027	70,600	75,358	-	-
0.01%+RPI 20m IL bond	GBP	2028	22,069	22,904	21,992	22,300
2.058% 30m bond	EUR	2030	26,950	26,287	26,997	25,592
0.178%+RPI 35m IL bond	GBP	2030	40,369	37,650	40,198	36,211
1.641% 30m bond	EUR	2031	25,710	26,287	25,710	25,592
2.9% 600m bond	HKD	2031	52,400	54,475	61,131	61,578
0.245%+CPI 20m IL bond	GBP	2031	20,349	20,597	20,191	20,000
0.01%+RPI 38m IL bond	GBP	2031	42,370	42,552	42,199	41,267
1.707% 28m bond	EUR	2032	23,939	24,535	-	-
1.653% 26m bond	EUR	2032	21,942	22,782	-	-
1.70% 30m bond	EUR	2033	25,372	26,287	-	-
0.01%+RPI 26.5m IL bond	GBP	2036	30,081	31,791	30,252	30,967
0.379%+CPI 20m IL bond	GBP	2036	20,747	20,579	20,898	19,982
0.01%+RPI 29m IL bond	GBP	2036	32,858	32,542	32,230	31,519
0.093%+CPI 60m IL bond	GBP	2037	58,788	61,353	59,044	59,563
0.359%+CPI 32m IL bond	GBP	2048	32,015	32,353	-	-
0.387%+CPI 33m IL bond	GBP	2057	33,186	33,003	-	-
			1,018,388	1,029,201	452,450	444,810

Index-linked debt:

IL	Index-linked debt – this debt is adjusted for movements in the Consumer or Retail Prices Indices with reference to a base CPI or RPI established at trade date
CPI	The UK general index of consumer prices (for all items) as published by the Office of National Statistics (May 2015=100)
RPI	The UK general index of retail prices (for all items) as published by the Office of National Statistics (Jan 1987=100)

Each of these borrowings are unconditionally and irrevocably guaranteed by UUW under the United Utilities PLC and United Utilities Water Finance PLC multi-issuer EUR 7 billion Euro Medium Term Note Programme. Amounts raised have been loaned to United Utilities Water Limited on identical terms to the borrowings detailed in the table above (see note 6). Borrowings are unsecured.

The fair values disclosed are classified under the IFRS 13 hierarchy, with £634,322,000 (2017: £260,934,000) of level 1 fair value measurements, being derived from quoted prices in active markets for identical liabilities and £384,066,000 (2017: £191,516,000) of level 2 fair value measurements, being derived from inputs other than quoted prices that are observable for the liability, either directly or indirectly.

Notes to the financial statements

9. Called up share capital

	2018 £000	2017 £000
Allotted, called up and fully paid		
50,000 ordinary shares of £1.00 each	50	50
	=====	=====

10. Financial risk management

The company is a financing subsidiary of U UW and its principal activity is raising listed debt on behalf of U UW, its immediate parent. All external borrowings are guaranteed by U UW and are on-lent to U UW on identical terms through intercompany loans.

The company's financial risks are not managed separately as they are integrated with the financial risks of the UUG group. The UUG group's financial risks, treasury management policies and operations are discussed in UUG's annual report and financial statements.

Credit risk:

The company is exposed to credit risk on the debtor balances receivable from the immediate parent undertaking, U UW. At 31 March 2018, the maximum exposure to credit risk represent amounts owed by immediate parent undertaking of £1,034,168,000 (2017: £447,501,000). These balances are neither past due nor impaired.

Liquidity risk:

Principal and interest amounts due on external borrowings are matched by principal and interest amounts receivable from U UW, therefore the principal risk of the company's arrangements is that U UW is unable to meet its obligations to the company.

Market risk:

The company does not consider it is exposed to any significant concentrations of market risk. As the company on-lends all external borrowings to its immediate parent company on identical terms, any market risk exposure (foreign exchange, interest rate or inflation) on external borrowings is offset by an equal and opposite exposure on the company's loans receivable from its parent.

As such, movements in inflation, interest rates or movements in foreign currency rates will have no net impact on profit before taxation or equity, other than as stated below.

In addition to the borrowings loaned to its parent, the company has a short-term balance receivable from its parent on which interest accrues. A one per cent increase/decrease in interest rates would result in a £2,000 (2017: £2,000) increase/decrease in profit before taxation and equity. This is based on the position at the reporting date and is not indicative of the years then ended.

11. Related party transactions

There have been no transactions with the directors of the company during the year.

In accordance with the exemption allowed under FRS 101, no disclosure is made of transactions with other wholly owned member companies which are consolidated into the UUG group.

12. Ultimate parent undertaking

The company's immediate parent undertaking is United Utilities Water Limited, a company incorporated and registered in England and Wales.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is United Utilities Group PLC, a company incorporated and registered in England and Wales.

Notes to the financial statements

12. Ultimate parent undertaking (continued)

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

The largest group in which the results of the company are consolidated is 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.