

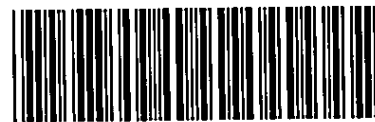
2377886

United Utilities Property Solutions (10010) Limited

Report and Financial Statements

31 March 2009

FRIDAY



AMY6IE51

A24

16/10/2009

12

COMPANIES HOUSE

Contents

Directors, advisers and other information	2
Directors' report	3
Statement of directors' responsibilities in respect of the financial statements	4
Independent auditors' report	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9

Registered No: 2377886

Directors, advisers and other information

Directors

PM Steer
JRM Uttley

Secretary

UU Secretariat Limited

Auditors

Deloitte LLP
2 Hardman Street
Manchester
M60 2AT

Registered office

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

Directors' report

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

The directors' report has been prepared in accordance with the special provisions relating to small companies under s246(4) of the Companies Act 1985.

Results and dividends

The company recorded a profit after taxation for the year of £67,611 (2008: £nil). The directors do not recommend the payment of an ordinary dividend (2008: same).

Principal activities and review of business

The company's principal activities are property trading and property investment. During the year construction of an office building on Lingley Mere Business Park, Great Sankey, Warrington was completed and a lease was granted to another group company, United Utilities Water PLC. The lease commenced on 19 February 2009 for a term of 15 years and the company also granted an option in favour of the lessee to buy the building within the option period at a pre-defined price.

Directors

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

S Knight	(appointed 7 May; resigned 8 June 2009)
PM Steer	(appointed 7 May 2008)
JRM Uttley	(appointed 7 May 2008)
UU Directorate	(resigned 7 May 2008)

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

Disclosure of information to the auditors

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

1. so far as he or she is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. he or she 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 auditors are aware of that information.

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

Auditors

Pursuant to section 386 of the Companies Act 1985 an elective resolution has been made dispensing with the requirement to re-appoint auditors annually. Therefore Deloitte LLP is deemed to continue as auditor of the company.

By order of the board



JL Gilmore
Company Secretary
Date: 12 October 2009

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of United Utilities Property Solutions (10010) Limited

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

As the company was exempt from audit under Section 249AA(1) of the Companies Act 1985 in the prior period we have not audited the corresponding amounts for that period.

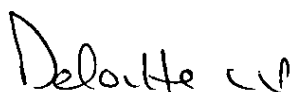
Independent auditors' report (continued)

to the members of United Utilities Property Solutions (10010) Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Deloitte LLP

Chartered Accountants and Registered Auditors

Manchester, United Kingdom

Date: 14 October 2009

Profit and loss account

For the year ended 31 March 2009

	Note	2009 £	2008 £
Turnover		93,904	-
Profit on ordinary activities before taxation	2	93,904	-
Taxation on profit on ordinary activities	3	(26,293)	-
Profit for the financial year		67,611	-

All of the results shown above relate to continuing operations.

The company had no recognised gains or losses, in either year, other than those contained in the profit and loss account. Accordingly, a separate statement of total recognised gains and losses has not been prepared.

Balance sheet

At 31 March 2009

	Note	2009 £	2008 £
Current assets			
Stocks	4	7,705,849	-
Debtors	5	93,906	2
		<u>7,799,755</u>	<u>2</u>
Creditors: amounts falling due within one year	6	(7,732,142)	-
Net assets		<u>67,613</u>	<u>2</u>
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account	8	67,611	-
Shareholders' funds		<u>67,613</u>	<u>2</u>

Approved by the board of directors on 12 October 2009 and signed on its behalf by:

P.M. Steer

PM Steer
Director

Notes to the financial statements

At 31 March 2009

1. Accounting policies

Basis of accounting

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

The principal activities of the company are property trading and property investment. The company made a profit and has net assets that are considered to be fully recoverable and on this basis, the directors believe it is appropriate to prepare the accounts on a going concern basis.

Cash flow statement

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

Related party transactions

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

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

Turnover

Turnover represents income (excluding value added tax) from rents receivable and option fees. All turnover is derived from activities in the United Kingdom relating to the company's principal activities.

Rents receivable are recognised as per the timing of the transfer of risks and rewards as dictated by lease terms. Option fees are recognised as per the timing of the transfer of risks and rewards as dictated by the option agreement.

Taxation

The taxation expense represents the sum of current taxation and deferred taxation.

Current taxation

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

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

Stocks

Properties held for re-sale are state at lower of cost and net realisable value. Cost includes the cost of acquisition, professional fees, any construction or other enhancement costs.

Prior year comparatives

The company was exempt from the requirement to have an audit under s249AA(1) Companies Act 1985 and therefore the prior year comparatives are not audited.

Notes to the financial statements (continued)

At 31 March 2009

2. Profit on ordinary activities before taxation

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

The auditors' 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 Property Solutions (10010) Limited was £1,000 (2008: £nil). There were no non-audit services provided by the auditors to the company in either year.

3. Taxation on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2009 £	2008 £
Current tax:		
Tax on profit on ordinary activities (note 3(b))	26,293	-

(b) Factors affecting the charge for the year

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

	2009 £	2008 £
Profit on ordinary activities before taxation	93,904	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in UK of 28% (2008: 30%)	26,293	-
Current tax charge (note 3(a))	26,293	-

4. Stock

	2009 £	2008 £
Asset held for resale	7,705,849	-

On 19 February 2009, a lease was granted to United Utilities Water PLC for a term of 15 years. The company also granted an option in favour of the lessee to buy the building within the option period at a pre-defined price.

Notes to the financial statements (continued)

At 31 March 2009

5. Debtors

	2009 £	2008 £
Amounts owed by group undertakings	93,906	2

6. Creditors: amounts falling due within one year

	2009 £	2008 £
Amounts due to group undertakings	7,705,849	-
Amounts due to group undertakings -- group relief payable	26,293	-
	7,732,142	-

7. Called up share capital

	2009 £	2008 £
Authorised 100 ordinary shares of £1.00 each	100	100
Allotted, called up and fully paid 2 ordinary shares of £1.00 each	2	2

8. Capital and reserves

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 1 April 2008	2	-	2
Profit for the financial year	-	67,611	67,611
At 31 March 2009	2	67,611	67,613

Notes to the financial statements (continued)

At 31 March 2009

9. Ultimate parent undertaking

The company's immediate parent undertaking is United Utilities Property Solutions Limited, a company incorporated in Great Britain.

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

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

The largest group in which the results of the company 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.