

Company registration number 03953229 (England and Wales)

**BRITISH WATER**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**  
**PAGES FOR FILING WITH REGISTRAR**

# BRITISH WATER

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# BRITISH WATER

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	4	5,551		-	
Tangible assets	5	3,890		4,497	
Investments	6	8,863		8,863	
			<u>18,304</u>		<u>13,360</u>
<b>Current assets</b>					
Debtors	8	196,930		197,418	
Cash at bank and in hand		88,447		128,903	
		<u>285,377</u>		<u>326,321</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(158,805)</u>		<u>(182,088)</u>	
<b>Net current assets</b>			<u>126,572</u>		<u>144,233</u>
<b>Total assets less current liabilities</b>			<u>144,876</u>		<u>157,593</u>
<b>Provisions for liabilities</b>			<u>(212)</u>		<u>(879)</u>
<b>Net assets</b>			<u><u>144,664</u></u>		<u><u>156,714</u></u>
<b>Reserves</b>					
Income and expenditure account		144,664		156,714	
<b>Members' funds</b>		144,664		156,714	

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 15 June 2023 and are signed on its behalf by:

M Fletcher  
Director

L Thompson  
Director

Company Registration No. 03953229

# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

British Water is a private company limited by guarantee incorporated in England and Wales. The registered office is Vox Studios V124, 1-45 Durham Street, Vauxhall, London, SE11 5JH.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from membership subscriptions is recognised evenly over the membership period (usually twelve months), on a monthly basis. Any such subscriptions received in advance are treated as deferred income.

Revenue from events is recognised as soon as the relevant event has been completed. Payment for events is due at the time of booking, therefore monies received between booking and completion of the event are treated as deferred income.

#### **1.4 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software brand	3 year straight line
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#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	4 year straight line
Computers	4 or 3 year straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

#### 1.6 Fixed asset investments

Fixed asset investments are stated at fair value at the balance sheet date. Movements in this fair value are recognised in the income statement. Fair value is considered to be the open market value on a readily available trading market.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets 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 in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 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. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.10 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Leases***

Management exercises judgement in determining the classification of leases as finance leases or operating leases at inception of the lease. Where the lease term constitutes substantially all of the economic life of the asset, or where the present value of the minimum lease payments amounts to substantially all of the fair value of the asset, the lease is classified as a finance lease. All other leases are classified as operating leases.

#### ***Contingent liabilities***

Contingent liabilities are possible obligations whose existence will be conferred only on the occurrence or non-occurrence of uncertain future events outside the company's control, or present obligations that are not recognised because it is not probable that a settlement will be required or the value of such payment cannot be reliably estimated. The company does not recognise contingent liabilities but, when necessary, discloses them in the notes to the financial statements.

#### ***Materiality***

The requirements for the selection, application and disclosure of accounting policies in FRS 102 applies to items which are material, to the overall true and fair view given by the financial statements. Consequently, management must judge what is material or not. Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions of users, taken on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### ***Impairment of assets***

Where there are indications of impairment, management performs an impairment test. For trade debtors this may simply be a review of the age profile of the debtors against the relevant payment terms and consideration of the debtors' payment history. Any other relevant factors, of which management are aware, will also be considered, together with comparison of historical impairment provisions against actual outcomes.

## BRITISH WATER

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	9	8
	<u>          </u>	<u>          </u>

#### 4 Intangible fixed assets

	Software brand £
<b>Cost</b>	
At 1 April 2022	-
Additions	8,326
	<u>          </u>
At 31 March 2023	8,326
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 April 2022	-
Amortisation charged for the year	2,775
	<u>          </u>
At 31 March 2023	2,775
	<u>          </u>
<b>Carrying amount</b>	
At 31 March 2023	5,551
	<u>          </u>
At 31 March 2022	-
	<u>          </u>



# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 5 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2022	30,297
Additions	2,886
	<hr/>
At 31 March 2023	33,183
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2022	25,799
Depreciation charged in the year	3,494
	<hr/>
At 31 March 2023	29,293
	<hr/>
<b>Carrying amount</b>	
At 31 March 2023	3,890
	<hr/>
At 31 March 2022	4,497
	<hr/>

### 6 Fixed asset investments

	2023	2022
	£	£
Other investments other than loans	8,863	8,863
	<hr/>	<hr/>

### 7 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Water Industry Forum Limited	3m Buckley Innovation Centre, Huddersfield, HD1 3BD	Sole Member	100.00

### 8 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	149,904	164,380
Corporation tax recoverable	7,549	8,192
Amounts owed by group undertakings	8,965	-
Other debtors	30,512	24,846
	<hr/>	<hr/>
	196,930	197,418
	<hr/>	<hr/>

# BRITISH WATER

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	13,614	32,810
Corporation tax	-	2,374
Other taxation and social security	48,522	49,049
Other creditors	96,669	97,855
	<u>158,805</u>	<u>182,088</u>

### 10 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £5.

### 11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Mark Fox
Statutory Auditor:	Haigh Accountants Limited

### 12 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
-	4,333
<u>-</u>	<u>4,333</u>

### 13 Related party transactions

During the year the company paid service charges totalling £66,535 to its subsidiary.

The company also purchased a laptop for its subsidiary for £1,127 which will not be reimbursed.

At the end of the year the subsidiary owed the company £8,965.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.