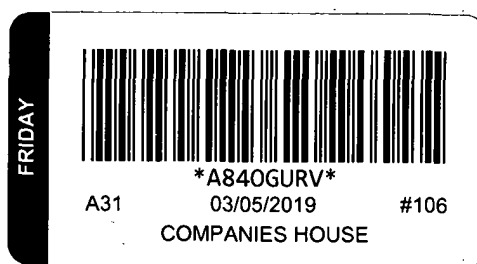


Registered number: 05540505

KELSTON PROPERTIES 2 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2018



WESTERN POWER 
DISTRIBUTION
Serving the Midlands, South West and Wales

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Directors' report

For the year ended 31 December 2018

The directors present their annual report and the audited financial statements of Kelston Properties 2 Limited (the 'Company'), Company Registered number 05540505, for the year ended 31 December 2018.

The Company has taken the small company exemption available under s415A of the Companies Act 2006.

Ownership

The Company is an indirect wholly-owned subsidiary of Western Power Distribution plc, which is owned indirectly by PPL Corporation, an electricity utility of Allentown, Pennsylvania, USA. PPL Corporation trades in the United Kingdom as Western Power Distribution plc ('WPD' and 'Group').

Principal activity and business review

The Company's principal activity is that of a property investment company.

The Company owns a single property at Cwmbran in South Wales that is let to a major supermarket group.

The open market value of the property at Cwmbran is assessed to have reduced by £200,000 to £16,500,000 at 31 December 2018 from £16,700,000 at 31 December 2017.

The Company will continue to seek to maximise its return from the property asset.

Future developments

There are no plans to change the principal activity of the Company.

Profit and dividends

The profit for the financial year, which is stated after reflecting the movement in fair value of the Company's investment property, was £640,000 (2017: £214,000). No dividends were paid in the year (2017: £3,112,990).

Going concern

The directors have considered the principal risks and uncertainties facing the Company, and the mitigations in place to respond to these risks. Having considered these factors, the directors have prepared the financial statements on the going concern basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future due to its balance sheet position which shows net current assets of £1.2m and the expected future performance of the Company.

Financial risk management

The principal risk is that the Company's investment property will become impaired, or will lose rental income. The Company's sole investment property is let to a major supermarket chain on a long term lease with a fixed income; any risk relates to the long-term future of the supermarket sector.

Impact of Brexit

Following the referendum vote on 23 June 2016 and the decision to leave the European Union, there has been considerable uncertainty surrounding the outlook for the UK economy, which may potentially impact the valuation of properties in the UK. However to date, the Company has not suffered from any significant decline in the fair value of its investment property and based on external valuations, the Company has recorded a small fair value loss in its profit and loss account for the current year. The Company will continue to carefully monitor the economic trends and ensure that the valuation for its property is based on the use of the most relevant market data.

Directors' report (continued)
For the year ended 31 December 2018

Directors and their interests

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

D C S Oosthuizen (resigned 31 March 2018)

D A Withers

I R Williams (appointed 1 April 2018)

There were no significant contracts subsisting during or at the end of the year with the Company in which any director is or was materially interested.

Insurance in respect of directors and officers is third party qualifying insurance and is maintained by the Group's ultimate parent, PPL Corporation. The insurance is subject to the conditions set out in the Companies Act 2006 and remains in force at the date of signing the Directors' report.

Independent auditor

Elective resolutions to dispense with the holding of annual general meetings, the laying of financial statements before the Company and the appointment of auditors annually are currently in force. The auditor, Deloitte LLP, will therefore be deemed to have been reappointed at the end of 28 days beginning with the day on which copies of this report and financial statements are sent to the members.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the 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.

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



I R Williams

Director

30 April 2019

Kelston Properties 2 Limited

Avonbank

Feeder Road

Bristol

BS2 0TB

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including 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 the profit or loss of the Company for that year. 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the member of Kelston Properties 2 Limited

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 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 Disclosed Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Kelston Properties 2 Limited which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

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 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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Independent auditor's report to the member of Kelston Properties 2 Limited (continued)

Other information (continued)

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

Independent auditor's report to the member of Kelston Properties 2 Limited (continued)

Matters on which we are required to report by exception

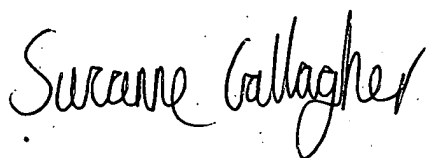
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's member, 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 member, for our audit work, for this report, or for the opinions we have formed.



Suzanne Gallagher, Senior Statutory Auditor
**For and on behalf of Deloitte LLP,
Statutory Auditor,
Reading, United Kingdom**

30 April 2019

Profit and loss account

For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Turnover		1,084	1,083
Operating costs	4	(55)	(56)
Other operating expense - decrease in fair value of investment property	9	(200)	(700)
Operating profit		829	327
Interest receivable	6	8	3
Profit before tax		837	330
Tax	7	(197)	(116)
Profit for the financial year		640	214

All operations are continuing.

There is no other comprehensive income for the year ended 31 December 2018 or 31 December 2017 and therefore no separate statement of comprehensive income has been prepared.

The accompanying notes are an integral part of these financial statements.

Balance sheet

At 31 December 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Investment property	9	16,500	16,700
Current assets			
Debtors: amounts falling due within one year	10	1,839	1,060
Current liabilities			
Creditors: amounts falling due within one year	11	(661)	(722)
Net current assets		1,178	338
Total assets less current liabilities		17,678	17,038
Net assets		17,678	17,038
Capital and Reserves			
Called up share capital	13	15,000	15,000
Profit and loss account		2,678	2,038
Total shareholder's funds		17,678	17,038

The accompanying notes are an integral part of these financial statements.

The financial statements of the Company (registered number 05540505) on pages 7 to 17 were approved and authorised for issue by the Board of Directors on 30 April 2019 and were signed on its behalf by:



I R Williams
Director

Statement of changes in equity

For the year ended 31 December 2018

	Note	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2017		17,000	2,937	19,937
Profit for the financial year		-	214	214
Total comprehensive income for the year		-	214	214
Capital reduction	13	(2,000)	2,000	-
Dividends	8	-	(3,113)	(3,113)
At 31 December 2017		15,000	2,038	17,038
Profit for the financial year		-	640	640
Total comprehensive income for the year		-	640	640
At 31 December 2018		15,000	2,678	17,678

Notes to the financial statements

For the year ended 31 December 2018

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Kelston Properties 2 Limited (the "Company") for the year ended 31 December 2018 were authorised for issue by the board of directors on 30 April 2019 and the balance sheet was signed on the board's behalf by I R Williams. Kelston Properties 2 Limited is a private company limited by shares, incorporated and registered in England and Wales. The registered address is included at Note 15.

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the FRC.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

2. Significant accounting policies

Basis of preparation

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

Where required, equivalent disclosures are given in the group accounts of Western Power Distribution plc. The group accounts of Western Power Distribution plc are available to the public and can be obtained as set out in Note 15.

The financial statements have been prepared on the historical cost basis, except for the revaluation of property that is measured at fair value at the end of the reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

Going concern

The directors have considered the principal risks and uncertainties facing the Company, and the mitigations in place to respond to these risks. Having considered these factors, the directors have prepared the financial statements on the going concern basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future due to its balance sheet position which shows net current assets of £1.2m and the expected future performance of the Company.

Impact of new financial reporting standards

The following new standards are effective for accounting periods beginning on or after 1 January 2018:

IFRS 15

IFRS 15 "Revenue from Contracts with Customers" supersedes the current revenue recognition guidance, including IAS 18 "Revenue" and the related interpretations, and establishes a single comprehensive five-step model to account for revenues arising from contracts with customers, focusing on the identification and satisfaction of performance obligations.

Notes to the financial statements (continued)

For the year ended 31 December 2018

2. Significant accounting policies (continued)

Impact of new financial reporting standards (continued)

IFRS 15 (continued)

The Company has assessed the impact of this standard and concluded that there will be no material change to the Company's financial statements.

IFRS 9

IFRS 9 "Financial Instruments" supersedes IAS 39 "Financial Instruments: Recognition and Measurement" and impacts the classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting.

The Company has assessed the impact of this standard and concluded that there will be no material change to the Company's financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. The Company's property is located in the United Kingdom.

Rental income from property operating leases is recognised on a straight-line basis over the term of the relevant lease.

Investment property

The sole property of the Company is classified as an investment property as it is rented to a third party outside the Western Power Distribution plc Group.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property is recognised in the profit and loss account in the period of derecognition.

Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Notes to the financial statements (continued)

For the year ended 31 December 2018

2. Significant accounting policies (continued)

Tax (continued)

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Financial assets

Financial assets are classified as loans and receivables, financial assets at fair value through profit or loss, held-to-maturity financial assets or as available-for-sale financial assets, as appropriate. The Company's financial assets include trade and other receivables. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognised initially at fair value plus directly attributable transaction costs.

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process. This category of financial assets includes trade and other receivables.

Impairment of loans and receivables

The Company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognised in the profit and loss account.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as financial liabilities measured at amortised cost, as appropriate. The Company's financial liabilities include trade and other payables and accruals. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. This category of financial liabilities includes trade and other payables.

Notes to the financial statements (continued)

For the year ended 31 December 2018

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, accounting estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

There are no critical accounting judgements. The key source of estimation uncertainty is:

Revaluation of investment property

The Company measures its investment property at fair value, with changes in fair values being recognised in the profit and loss account. The Company engaged independent valuation specialists to determine fair value as at 31 December 2018. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

The fair value of investment properties is most sensitive to the assumptions concerning yield and the long term vacancy rate. See Note 9 for further details.

4. Operating profit

The operating costs consist of insurance premiums and a management charge from an affiliate. This includes auditor's remuneration of £2,072 (2017: £2,002) for the audit of these financial statements. There were no non-audit fees in the current or prior year.

5. Directors and employees

The directors did not receive remuneration in either the current or prior year for their services as directors of the Company as they are incidental to their roles elsewhere in the Group. The Company pays management charges of £10,525 (2017: £10,775) which include directors' emoluments. It is deemed impractical to identify the portion of directors' emoluments allocated to the Company as part of these management fees. The Company did not employ any staff during either year.

6. Interest receivable

	2018 £'000	2017 £'000
Interest receivable on loans to other Group undertakings	8	3

Notes to the financial statements (continued)

For the year ended 31 December 2018

7. Tax

a) Analysis of charge for the year:

	2018 £'000	2017 £'000
Current tax:		
UK corporation tax on profit for the year	197	198
Total current tax charge	197	198
Deferred tax (Note 12):		
Origination and reversal of temporary differences	-	(82)
Total deferred tax credit	-	(82)
Tax charge	197	116

b) Reconciliation of the total tax charge

The tax assessed for the year is the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are reconciled below.

	2018 £'000	2017 £'000
Profit before tax	837	330
Profit multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.25%)	159	64
Effects of:		
Revaluation of investment property	38	41
Impact of change in corporation tax rate	-	11
Tax charge	197	116

c) Change in corporation tax rate

From 1 April 2017 the standard rate of corporation tax was reduced from 20% to 19%. In addition the Finance Act 2016 reduced the standard rate of corporation tax to 17% from 1 April 2020. This future change has been enacted and included in the calculation of deferred tax with respect to any temporary differences that are expected to reverse after the effective date.

Notes to the financial statements (continued)

For the year ended 31 December 2018

8. Dividends

	2018 £'000	2017 £'000
Amounts recognised as distributions to equity holders in the year:		
Interim dividends (2018: nil, 2017: 21p per share)	-	3,113

9. Investment property

	£'000
Fair value	
At 1 January 2018	16,700
Decrease in fair value during the year	(200)
At 31 December 2018	16,500

The fair value of the Company's investment property at 31 December 2018 and 2017 has been arrived at on the basis of a valuation carried out at those dates by BNP Paribas Real Estate, independent valuers not connected with the Company. Both the valuer and the reviewer are MRICS (Member of the Royal Institution of Chartered Surveyors) and are Registered valuers. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties. The valuation is considered to represent the highest and best use for the property.

The investment property is let on a full repairing lease under which all outgoings are the responsibility of the lessee. Insurance costs are recovered through a charge on tenants during the period of occupation.

The property rental income earned by the Company from its investment property, all of which is leased out under an operating lease, amounted to £1,084,000 (2017: £1,083,000). Direct insurance expenses arising on the investment property, all of which generated rental income in the period, amounted to £14,521 (2017: £14,400).

The historical cost of the investment property is £11.2m.

10. Debtors - amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed by Group undertakings	1,839	1,060

Amounts owed by Group undertakings are unsecured and are repayable on demand.

Notes to the financial statements (continued)

For the year ended 31 December 2018

11. Creditors - amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to Group undertakings	30	30
Group relief payable	345	406
Accruals and deferred income	247	250
Other creditors	39	36
	661	722

Amounts owed to Group undertakings are unsecured and are repayable on demand.

12. Provision for liabilities

	<u>Deferred Tax</u> <u>Investment property</u>	
	2018 £'000	2017 £'000
At 1 January	-	82
Credit to profit and loss (Note 7a)	-	(82)
At 31 December	-	-

13. Called up share capital

	2018 £'000	2017 £'000
Authorised		
17,000,000 ordinary shares of £1 each	17,000	17,000
Allotted, called up and fully paid		
15,000,000 (2017: 15,000,000) ordinary shares of £1 each	15,000	15,000

The shares entitle the holders thereof to one vote per share held. Each share ranks equally for any dividend declared and any distribution made on a winding up. The shares are not redeemable.

On 17 March 2017 the Company reduced its issued share capital from £17,000,000 to £15,000,000 by special resolution supported by a solvency statement, cancelling and extinguishing 2,000,000 ordinary shares of £1 each. The balance of £2,000,000 was credited to distributable reserves.

Notes to the financial statements (continued)

For the year ended 31 December 2018

14. Operating lease arrangements

The Company as lessor

The Company has entered into a commercial property lease on its investment property. The lease has various terms, escalation clauses and renewable rights. The lease includes a clause to enable upward revision of rental charge on a review cycle set on lease inception according to prevailing market conditions.

At the balance sheet date, the Company had contracted with tenants for the following future minimum lease payments:

	2018 £'000	2017 £'000
Within one year	1,069	1,069
In the second to fifth years inclusive	4,276	4,276
After five years	5,588	6,657
	10,933	12,002

15. Ultimate parent undertaking

The immediate parent undertaking of Kelston Properties 2 Limited is Western Power Distribution Investments Limited, which is registered in England and Wales.

The smallest group in which the results of the Company are consolidated is headed by Western Power Distribution plc. Copies of these financial statements may be obtained from the Company's registered office as stated below.

The largest group in which the results of the Company are consolidated is that headed by PPL Corporation, incorporated in the United States of America, which is the ultimate parent undertaking and controlling party. Copies of its accounts may be obtained from their registered address at Two North Ninth Street, Allentown, Pennsylvania, PA18101-1179, US.

Registered office:

Kelston Properties 2 Limited
Avonbank
Feeder Road
Bristol BS2 0TB

Telephone : 0117 933 2000
Fax : 0117 933 2001
email: info@westernpower.co.uk

Registered number 05540505