

**AFFINITY WATER HOLDINGS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

(Registered Number 08350099)

# Affinity Water Holdings Limited

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# Affinity Water Holdings Limited

## Directors' report for the year ended 31 March 2016

### Introduction

The directors present their report and the audited statutory financial statements for the year ended 31 March 2016.

### Future developments

It is anticipated the company will continue to invest and manage its long term interests in the water industry in the United Kingdom for the foreseeable future.

### Dividends

The directors have declared and paid the following dividends during the year ended 31 March 2016:

Ordinary dividends:	£000
First interim paid in April 2015	9,000
Second interim paid in July 2015	5,500
Third interim paid in September 2015	13,500
Fourth interim paid in December 2015	8,000
Fifth interim paid in March 2016	4,000
	<hr/> <hr/>
	40,000

This compares to interim dividends of £30,800,000 declared and paid in the year ended 31 March 2015.

The directors do not recommend a final dividend (2015: nil).

### Directors

The directors of the company, who were in office during the year and up to the date of signing the financial statements except where noted, were as follows:

Duncan Bates  
Simon Cocks (appointed 1 July 2015)  
Georgina Dellacha (resigned 30 July 2015)  
Alberto Donzelli  
Stephen Nelson  
Nigel Paterson  
Yacine Saidji

### Company Secretary

Tim Monod

### Events after the reporting period

There were no significant events after the end of the reporting period.

# **Affinity Water Holdings Limited**

## **Directors' report for the year ended 31 March 2016 (continued)**

### **Statement of directors' responsibilities**

The directors are responsible for preparing 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 the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice; 'UK GAAP'), including Financial Reporting Standard 101: 'Reduced disclosure Framework' ('FRS 101').

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 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;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholder in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

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

Each director in office at the date of the directors' report confirms that:

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

# **Affinity Water Holdings Limited**

## **Directors' report for the year ended 31 March 2016 (continued)**

### **Independent auditor**

PricewaterhouseCoopers LLP  
Abacus House  
Castle Park  
Cambridge  
CB3 0AN

The auditor, PricewaterhouseCoopers LLP, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed by the Board.

By order of the Board

Tim Monod  
Company Secretary  
27 June 2016

# **Independent auditor's report to the member of Affinity Water Holdings Limited**

## **Report on the financial statements**

### **Our opinion**

In our opinion, Affinity Water Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **What we have audited**

The financial statements, included within the Annual Report, comprise:

- the statement of financial position as at 31 March 2016;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced disclosure framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# **Independent auditor's report to the member of Affinity Water Holdings Limited (continued)**

## **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

## **Responsibilities for the financial statements and the audit**

### **Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report, including the opinions, has been prepared for and only for the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Charles Joseland (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge  
27 June 2016

# Affinity Water Holdings Limited

## Income statement for the year ended 31 March 2016 (Registered Number 08350099)

	Note	2016 £000	2015 £000
Operating result	4	-	-
Income from shares in subsidiary		40,000	30,800
<b>Profit on ordinary activities before income tax</b>		<b>40,000</b>	<b>30,800</b>
Income tax expense on ordinary activities	6	-	-
<b>Profit for the year</b>		<b>40,000</b>	<b>30,800</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

All profits of the company in the current year and prior year are from continuing operations.

The company has no other comprehensive income in either the current year or prior year other than the results above, therefore a statement of comprehensive income has not been presented.



# Affinity Water Holdings Limited

## Statement of financial position

as at 31 March 2016

(Registered Number 08350099)

	Note	2016 £000	2015 £000
<b>Non-current assets</b>			
Investments	8	287,670	287,670
<b>Net assets</b>		<b>287,670</b>	<b>287,670</b>
<b>Equity</b>			
Ordinary shares	9	287,670	287,670
Retained earnings		-	-
<b>Total shareholder's funds</b>		<b>287,670</b>	<b>287,670</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

The financial statements on pages 6 to 15 were authorised for issue by the Board of directors on 27 June 2016 and were signed on its behalf by:

Duncan Bates  
Director

# Affinity Water Holdings Limited

## Statement of changes in equity for the year ended 31 March 2016 (Registered Number 08350099)

	Share capital £000	Retained earnings £000	Total £000
Balance as at 1 April 2014 (as previously reported under UK GAAP and under FRS 101)	287,670	-	287,670
Profit for the year	-	30,800	30,800
Total comprehensive income for the year	-	30,800	30,800
Dividends	-	(30,800)	(30,800)
Total transactions with owner, recognised directly in equity	-	(30,800)	(30,800)
Balance as at 31 March 2015	287,670	-	287,670
<b>Balance as at 1 April 2015</b>	<b>287,670</b>	<b>-</b>	<b>287,670</b>
<b>Profit for the year</b>	<b>-</b>	<b>40,000</b>	<b>40,000</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>40,000</b>	<b>40,000</b>
<b>Dividends</b>	<b>-</b>	<b>(40,000)</b>	<b>(40,000)</b>
<b>Total transactions with owner, recognised directly in equity</b>	<b>-</b>	<b>(40,000)</b>	<b>(40,000)</b>
<b>Balance as at 31 March 2016</b>	<b>287,670</b>	<b>-</b>	<b>287,670</b>

The notes on pages 9 to 15 are an integral part of these financial statements.

# Affinity Water Holdings Limited

## Notes to the financial statements for the year ended 31 March 2016

### 1. General information

Affinity Water Holdings Limited ('the company') manages an investment in Affinity Water Limited.

The company is a private company and is incorporated and domiciled in the United Kingdom. The address of its registered office is Tamblin Way, Hatfield, Hertfordshire, AL10 9EZ.

### 2. Summary of significant accounting policies

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

#### 2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The company meets the definition of a qualifying entity under Financial Reporting Standard 100: 'Application of financial reporting requirements' ('FRS 100') issued by the Financial Reporting Council ('FRC'). Accordingly, in the year ended 31 March 2016 the company has prepared its financial statements for the first time under FRS 101 as issued by the FRC and has, in doing so, applied the requirements of International Financial Reporting Standard 1: 'First-time Adoption of International Financial Reporting Standards' ('IFRS 1') paragraphs 6 to 33 and related appendices. These financial statements were prepared in accordance with FRS 101 as issued by the FRC. The prior year financial statements were restated for material adjustments on adoption of FRS 101 in the current year. For further information, see note 13.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7: 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13: 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of International Accounting Standard ('IAS') 1: 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1
- The following paragraphs of IAS 1: 'Presentation of financial statements':
  - 10(d) (statement of cash flows),
  - 10(f) (a statement of financial position as at the beginning of the preceding year when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third statement of financial position),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)

# Affinity Water Holdings Limited

## Notes to the financial statements for the year ended 31 March 2016 (continued)

### 2. Summary of significant accounting policies (continued)

#### 2.1 Basis of preparation (continued)

- IAS 7: 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8: 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24: 'Related party disclosures' (key management compensation)
- The requirements in IAS 24: 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The group financial statements of Affinity Water Acquisitions (Investments) Limited, the company's ultimate holding and controlling company in the United Kingdom, are available to the public and can be obtained as set out in note 11.

#### 2.2 Going concern

The directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. This is based on assessment of the principal risks of the company and consideration of the company's budgeted cash flows, long term forecasts and related assumptions, as well as available debt facilities.

#### 2.3 Changes in accounting policy and disclosures

##### *New and amended standards adopted by the company*

The following standards have been adopted by the company for the first time for the financial year beginning on 1 April 2015 and did not have any impact on the current year or any prior year and are not likely to affect future years.

Topic	Key requirements	Effective date
Improvements to IFRS (2012) and IFRS (2013)	This is a collection of amendments to 11 standards as part of the International Accounting Standards Board's programme of annual improvements.	1 July 2014 (EU endorsed from 1 February 2015 and 1 January 2015 respectively)
Amendment to IAS 19: 'Employee benefits'	The amendments to IAS 19: 'Employee benefits' permit contributions that are independent of the number of years of service to be recognised as a reduction in the service cost in the year in which the service is rendered, instead of allocating the contributions to years of service. Other contributions by employees or third parties are required to be attributed to years of service either using the plan's contribution formula or on a straight-line basis.	1 July 2014 (EU endorsed from 1 February 2015)

# **Affinity Water Holdings Limited**

## **Notes to the financial statements for the year ended 31 March 2016 (continued)**

### **2. Summary of significant accounting policies (continued)**

#### **2.4 Consolidation**

The company is a majority owned subsidiary of Affinity Water Acquisitions (Investments) Limited. It is included in the consolidated financial statements of Affinity Water Acquisitions (Investments) Limited which are publically available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

#### **2.5 Investment in subsidiary**

The company's investments in subsidiary is held at cost less accumulated impairment losses. Its investment is tested annually for impairment.

#### **2.6 Dividend income**

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

#### **2.7 Dividend distributions**

Dividend distributions to the company's shareholder are recognised as a liability in the company's financial statements in the year in which the dividends are approved by the company's shareholder.

#### **2.8 Current income tax**

The current income tax expense is based on taxable profit for the year. Taxable profit differs from 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. The company's current tax expense is calculated using tax rates that have been enacted or substantively enacted by the date of the statement of financial position.

# Affinity Water Holdings Limited

## Notes to the financial statements for the year ended 31 March 2016 (continued)

### 3. Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *Impairment of investment in subsidiary*

Determining whether the company's investment in its subsidiary has been impaired requires an estimation of the investment's value in use. The value in use calculation uses an estimate of the enterprise value of Affinity Water Limited, the principal trading direct subsidiary of the company, which is based on its regulatory capital value at the year-end and market premiums paid for UK water supply companies. The carrying amount of investments in subsidiaries at the date of the statement of financial position was £287,670,000 (2015: £287,670,000) with no impairment losses recognised in either 2015 or 2016.

### 4. Operating result

	2016	2015
	£000	£000
Operating result is stated after charging:		
Audit fees payable to the company's auditor	-	-

The auditor's remuneration for audit services in the year amounted to £5,000 (2015: £5,000), with such costs being borne by Affinity Water Limited, the direct subsidiary of the company. The auditor received no other remuneration in either the current or prior year.

### 5. Employees and directors

#### Employees

The company had no employees in the current year (2015: nil).

#### Directors

No remuneration or pension contributions were directly paid to directors for services to the company (2015: nil).

The directors who sit on the Board as representatives of Infracapital Partners II, North Haven Infrastructure Partners and Veolia Water UK Limited have recharged £100,000 (2015: £100,000) to the company's direct parent, Affinity Water Acquisitions Limited.

# Affinity Water Holdings Limited

## Notes to the financial statements for the year ended 31 March 2016 (continued)

### 6. Income tax

#### Tax expense included in profit or loss

	2016 £000	2015 £000
<b>Current tax:</b>		
UK Corporation tax on profit for the year	-	-
<b>Tax on profit on ordinary activities</b>	<u>-</u>	<u>-</u>

The tax charge for the year is lower (2015: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2016 of 20% (2015: 21%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	40,000	30,800
Profit multiplied by the standard rate of tax in the UK of 20% (2015: 21%)	8,000	6,468
Effects of:		
Income not subject to tax	(8,000)	(6,468)
<b>Tax charge</b>	<u>-</u>	<u>-</u>

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 21% to 20% from 1 April 2015.

In October 2015 changes were enacted to the main rate of corporation tax in the UK from 20% to 19% effective from 1 April 2017 and from 19% to 18% effective from 1 April 2020.

In March 2016 a further change was announced to the main rate of corporation tax in the UK from 18% to 17% effective from 1 April 2020.

Income not subject to tax relates to the dividends received from Affinity Water Limited.

### 7. Dividends

	2016 £000	2015 £000
Ordinary:		
Paid: First interim of £4,500,000 per share in April 2015 (July 2014: £5,650,000)	9,000	11,300
Paid: Second interim of £2,750,000 per share in July 2015 (September 2014: £3,250,000)	5,500	6,500
Paid: Third interim of £6,750,000 per share in September 2015 (November 2014: £3,500,000)	13,500	7,000
Paid: Fourth interim of £4,000,000 per share in December 2015 (March 2015: £3,000,000)	8,000	6,000
Paid: Fifth interim of £2,000,000 per share in March 2016	4,000	-
	<u>40,000</u>	<u>30,800</u>

# Affinity Water Holdings Limited

## Notes to the financial statements for the year ended 31 March 2016 (continued)

### 8. Investments

	<b>2016</b>	2015
	<b>£000</b>	£000
Investment in subsidiary undertaking	<b>287,670</b>	287,670

Investments comprise the following subsidiary undertaking of the company:

Name of company	Nature of business	Type of holding	Proportion of voting rights and shares held
Affinity Water Limited	Water supply	Ordinary shares	100%

The above company is incorporated in the United Kingdom.

The company received dividends of £40,000,000 (2015: £30,800,000) from Affinity Water Limited in the year.

The company has an indirect holding in the subsidiaries of Affinity Water Limited; Affinity Water Finance (2004) PLC and Affinity Water Programme Finance Limited. Details of these subsidiaries are included in the annual report and financial statements of Affinity Water Limited for the year ended 31 March 2016.

### 9. Share capital

	<b>2016</b>	2015
	<b>£</b>	£
<b>Allotted and called up share capital</b>		
2 (2015: 2) ordinary shares of £1.00 each	<b>2</b>	2

The company was incorporated on 7 January 2013. The company issued one £1 ordinary share on 7 January 2013 to Affinity Water Capital Funds Limited, its immediate parent company. A further £1 ordinary share was issued on 4 February 2013 to Affinity Water Capital Funds Limited at a premium of £287,760,000. At 31 March 2016 the share capital of £2 remained unpaid.

### 10. Related party transactions

The following related party transactions have occurred during the year:

Dividends received from Affinity Water Limited: £9,000,000 received in April 2015, £5,500,000 received in July 2015, £13,500,000 received in September 2015, £8,000,000 received in December 2015 and £4,000,000 received in March 2016 (2015: 30,800,000).

Dividends paid to Affinity Water Capital Funds Limited: £9,000,000 paid in April 2015, £5,500,000 paid in July 2015, £13,500,000 paid in September 2015, £8,000,000 paid in December 2015 and £4,000,000 paid in March 2016 (2015: 30,800,000).

There were no outstanding balances at the end of the year.



# **Affinity Water Holdings Limited**

## **Notes to the financial statements for the year ended 31 March 2016 (continued)**

### **11. Ultimate parent company and controlling party**

The company is a wholly owned subsidiary of Affinity Water Capital Funds Limited, a company registered in England and Wales.

Affinity Water Capital Funds Limited is majority owned by Affinity Water Acquisitions (Investments) Limited, a company registered in England and Wales. Affinity Water Acquisitions (Investments) Limited is the parent undertaking of the smallest and largest group to consolidate the statutory financial statements of this company.

The directors consider that Affinity Water Acquisitions (Investments) Limited is the ultimate holding and controlling company in the United Kingdom.

Copies of the group financial statements of Affinity Water Acquisitions (Investments) Limited for the year ended 31 March 2016 may be obtained from the Company Secretary, Tamblin Way, Hatfield, Hertfordshire, AL10 9EZ.

Affinity Water Acquisitions (Investments) Limited is owned by a consortium of investors led by Infracapital Partners II (consisting of Infracapital Partners II LP and Infracapital Partners (NT) II LP) and North Haven Infrastructure Partners LP. Veolia Environnement S.A. holds a 10% shareholding in Affinity Water Acquisitions (Holdco) Limited, the direct subsidiary of Affinity Water Acquisitions (Investments) Limited, through its subsidiary Veolia Water UK Limited. The directors consider Infracapital Partners II and North Haven Infrastructure Partners LP to be the company's ultimate controllers, as they are in a position to exercise material influence over the company's policy and affairs.

Infracapital Partners II is a European infrastructure fund managed by M&G Alternatives Investment Management Limited, a subsidiary of Prudential plc. Infracapital Partners II LP was established in 2010 and Infracapital Partners (NT) II LP was established in 2012, to make investments in income-generative infrastructure assets and businesses, including electricity and gas networks, water companies, transport infrastructure and renewable energy.

North Haven Infrastructure Partners is a leading global infrastructure investment fund. It is managed by Morgan Stanley Infrastructure Inc., part of the investment management division of Morgan Stanley. North Haven Infrastructure Partners targets core infrastructure assets that provide essential public goods and services to societies across the globe and seeks to improve asset performance using active management.

### **12. Events after the end of the reporting period**

There were no significant events after the end of the reporting period.

### **13. Transition to Financial Reporting Standard 101**

This is the first year that the company has presented its financial statements under FRS 101 issued by the FRC. Comparative information for the year ended 31 March 2016 (the year ended 31 March 2015) has been represented under FRS 101. The date of transition is therefore 1 April 2014. There were no differences between the amounts previously reported for the year ended 31 March 2015 and those under FRS 101.

The company has elected to continue to prepare its financial statements under FRS 101 for the year ending 31 March 2017, taking the disclosure exemptions as applied in the preparation of the financial statements for the year ended 31 March 2016.