

Registration number: 11294507

Anglian Water Services UK Parent Co Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Anglian Water Services UK Parent Co Limited

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Anglian Water Services UK Parent Co Limited

Company Information

Registered office

Lancaster House
Lancaster Way
Ermine Business Park
Huntingdon
Cambridgeshire
PE29 6XU

Company secretary

Claire Russell

Auditors

Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Anglian Water Services UK Parent Co Limited

Strategic Report for the Year Ended 31 March 2022

The directors present their strategic report for the year ending 31 March 2022.

Fair review of the business

The company was incorporated on 5 April 2018. The principal activity of the company is to hold the shares of Anglian Water Services Limited (AWSL) and it forms part of the group of four companies referred to as the Anglian Water Services Financing Group (“AWSFG”).

The company is a second holding company in the ring-fenced structure, providing protection for the customers and bond holders of the principal trading company in the group, AWSL, from risks associated with other non-regulated Anglian Water Group companies outside of the ring-fence.

Other than receiving and paying dividends, the company does not trade and therefore the directors are of the opinion that key performance indicators are not relevant for an understanding of the company’s performance. A dividend of £96.3 million was received in the year to 31 March 2022 (2021: no dividend was received) from its subsidiary undertaking, AWSL, and a dividend of £96.3 million was paid (2021: no dividend was paid) to its immediate parent, Anglian Water Services Holdings Limited.

In the year to 31 March 2022, the company purchased a further 2 newly issued £1 shares in AWSL at a premium of £1,165 million. On the same day the company issued 2 £1 shares to AWSH for cash consideration totalling £1,165 million.

The Directors expect the activities of the Company to continue in the foreseeable future without material change.

Section 172 Statement

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. Whilst this duty is not new, this year companies are required to report explicitly how the Board has had regard to the matters set out in section 172.

As a holding company within AWSFG, the day to day operation of the business is managed by employees of AWSL. Due to this relationship, the Company’s values and reputation are highly integrated with that of AWSL and therefore, interested parties should read the disclosures within the consolidated group annual report and financial statements.

The Company does not trade, has no employees, customers or suppliers. The Company’s stakeholders are therefore considered to be limited to other group companies with whom there are intercompany relationships.

Principal decisions made by the Board

Approval of annual financial statements

Annually the Board approves the Company’s financial statements. The Board is engaged on any key issues impacting the Company throughout the year and gives appropriate time and consideration to the approval. To give support to the Directors and enable them to discharge their duties, all new Directors receive a thorough induction programme on appointment which includes receiving a full background information pack, visits to operational sites and briefings from Executive Directors and senior managers.

Anglian Water Services UK Parent Co Limited

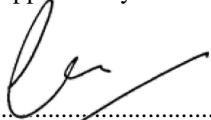
Strategic Report for the Year Ended 31 March 2022

The Company offers the Directors in-house training as necessary to aid their professional development and awareness of business and sector-specific issues. In addition, the Company offers to fund participation on externally provided training courses. All Directors are entitled to receive, at the Company's expense, independent professional advice on any matters relating to their responsibilities as a Director.

Principal risks and uncertainties

From the perspective of the company, principal risks and uncertainties are integrated with the principal risks and uncertainties of the AWSFG, which are discussed in the Anglian Water Services Limited consolidated group annual report and financial statements.

Approved by the Board on ~~...14.06.2022.~~ and signed on its behalf by:



.....
Claire Russell
Company secretary

Anglian Water Services UK Parent Co Limited

Directors' Report for the Year Ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Directors of the company

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

Steven Buck

Natalie Ceeney

Dame Polly Courtice

John Hirst

Zarin Patel

Jane Pilcher

Alex Plant

Peter Simpson

Paul Whittaker

Dividends received

A dividend of £96.3 million was received during the year (2021: no dividends were received).

Dividends paid

A dividend of £96.3 million was paid during the year (2021: no dividends were paid).

Directors' liabilities

The company maintains Directors' and Officers' liability insurance which gives appropriate cover for legal action brought against its directors. The company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purpose of section 234 ((2) - (6)) of the Companies Act 2006. This was in force for the full period and up to the date of signing.

Financial risk management policies and objectives

Objectives and policies

The company does not operate externally to the AWSFG and therefore its financial risks are governed by AWSFG's policies and procedures. These policies and procedures are discussed within the AWSL consolidated group financial statements.

Future developments

The directors expect the activities as detailed in the Strategic Report to continue for the foreseeable future without material change.

Carbon reporting

The Company has a very limited direct impact on the environment and is not a significant producer of greenhouse gas emissions. The Company consumed less than 40,000 kilowatt hours of energy in the financial year and is therefore exempt from the new streamlined energy and carbon reporting disclosure requirements.

Anglian Water Services UK Parent Co Limited

Directors' Report for the Year Ended 31 March 2022

Disclosure of information to the auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director 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 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.

Going concern

The directors believe, after due and careful enquiry that the company has sufficient resources to continue in operational existence for at least one year after the financial statements were authorised for issue and, therefore, consider it appropriate to adopt the going concern basis in preparing the 2022 financial statements. In making this statement, the Directors have considered that the company has no liabilities, significant assets, and pays out dividends only when dividends are received from subsidiary undertakings.

As the Company does not operate separately to the AWSFG, the Directors have undertaken a detailed review of the ability of the Group to meet its liabilities as they fall due for a period of at least 12 months from the date these financial statements are approved. This review assessed the liquidity requirements of the Group compared against the cash and facilities available to the Group as detailed below. In line with the assessment at March 2021, the review included a range of downside outcomes as a result of the macro-economic environment.

The downside outcomes were assessed for liquidity and impacts on debt covenants that form a fundamental part of the single debt platform. Anglian Water Services Limited has a single debt platform (sometimes known as a “common terms” or “CTA” debt platform) that has been structured so as to align with, and enhance, the regulatory protections contained in the Water Industry Act 1991 and Anglian Water’s Licence (an “Aligned Debt Programme”). Aligned Debt Programmes operate on a single covenant package and shared security and intercreditor arrangement that binds all debt providers.

Given the CMA Final Determination (FD) improving returns from the challenging Ofwat FD, together with improved headrooms resulting from the recent refinancing, headroom to accommodate severe downside shocks has improved. . In assessing Going Concern the Directors have considered a number of perspectives as follows:

- Liquidity - The Group holds sufficient liquidity to cover the going concern period.
- Profitability - The revenues of the Group are underpinned by the regulatory model and the business has a detailed plan in place to deliver in line with the CMA FD.
- Interest cover ratios - The Group has significant headroom against Default Events (class A interest cover ratio is less than 1.6:1) under its securitised covenants with no plausible scenario identified that would cause an Event of Default. We also have comfortable headroom against Trigger Events and whilst undesirable, a Trigger Event would not impact on the going concern assumption.
- Macro-economic factors - a base case has been projected into our forecasts in our analysis. We are also modelling worst case scenarios, which demonstrate that we do not hit Event of Default levels on our covenants.
- Long-term viability - the downside scenarios run show that the viability of the Group is strengthened as a result of the CMA FD and the successful implementation of our financial restructuring.

Based on the above, the Directors believe that the business has sufficient liquidity to meet its liabilities as they fall due and it is therefore appropriate for the accounts to be prepared on a going concern basis.

Anglian Water Services UK Parent Co Limited

Directors' Report for the Year Ended 31 March 2022

Appointment of auditors

Deloitte LLP have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed to the Board.

Approved by the Board on ~~...14.06.2022...~~ and signed on its behalf by:



Claire Russell
Company secretary

Anglian Water Services UK Parent Co Limited

Statement of Directors' Responsibilities

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), including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Anglian Water Services UK Parent Co Limited

Independent Auditor's Report to the Members of Anglian Water Services UK Parent Co Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Anglian Water Services UK Parent Co Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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 Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

Matters on which we are required to report by exception

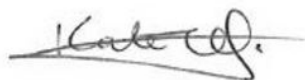
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kate Hadley (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
14 June 2022

Anglian Water Services UK Parent Co Limited

Profit and Loss Account for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Revenue		-	-
Operating profit/(loss)		-	-
Income from shares in group undertakings	5	96,300	-
Profit before tax		96,300	-
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		96,300	-

The company has no recognised gains or losses for the year other than the results above and therefore no separate statement of comprehensive income has been presented.


The above results were derived from continuing operations.

Anglian Water Services UK Parent Co Limited

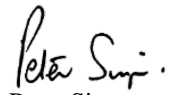
(Registration number: 11294507)
Balance Sheet as at 31 March 2022

	Note	2022 £ 000	2021 £ 000
Non-current assets			
Investments	9	1,487,000	322,000
Net assets			
		1,487,000	322,000
Capital and reserves			
Share capital	10	322,000	322,000
Share premium reserve		1,165,000	-
Total equity			
		1,487,000	322,000

Approved by the Board on ..14.06.2022.. and signed on its behalf by:



Steven Buck
Director



Peter Simpson
Director

The notes on pages 15 to 19 form an integral part of these financial statements.

Anglian Water Services UK Parent Co Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Note	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2021		322,000	-	-	322,000
Profit for the year		-	-	96,300	96,300
Total comprehensive income		-	-	96,300	96,300
Dividends paid	8	-	-	(96,300)	(96,300)
New share capital subscribed	10	-	1,165,000	-	1,165,000
At 31 March 2022		322,000	1,165,000	-	1,487,000

	Share capital £ 000	Total £ 000
At 1 April 2020	322,000	322,000
At 31 March 2021	322,000	322,000

The notes on pages 15 to 19 form an integral part of these financial statements.

Anglian Water Services UK Parent Co Limited

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities			
Profit for the year		96,300	-
Adjustments for:			
Dividend income		(96,300)	-
Net cash flow from operating activities		-	-
Cash flows from investing activities			
Increase in investment in subsidiary	9	(1,165,000)	-
Dividend income		96,300	-
Net cash flows from investing activities		(1,068,700)	-
Cash flows from financing activities			
Proceeds from issue of share capital		1,165,000	-
Dividends paid	8	(96,300)	-
Net cash flows from financing activities		1,068,700	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at 1 April		-	-
Cash and cash equivalents at 31 March		-	-

The company held no cash or cash equivalents as at 31 March 2021 and 31 March 2022.

Anglian Water Services UK Parent Co Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:

Lancaster House
Lancaster Way
Ermine Business Park
Huntingdon
Cambridgeshire
PE29 6XU
England

These financial statements were authorised for issue by the Board on 14 June 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

These financial statements are prepared in accordance with the historical cost convention and have been prepared on the going concern basis as noted the Director’s Report on page 5.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and company 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.

Exemption from preparing group financial statements

The financial statements contain information about Anglian Water Services UK Parent Co Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Osprey Acquisitions Limited, a company incorporated in England.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 April 2021 have had a material effect on the financial statements.

Dividend income

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

Anglian Water Services UK Parent Co Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Dividends

Dividends are recognised in the period in which they are paid or when the company has a constructive or legal commitment to pay the dividend.

Capital management

The company's objectives when managing capital is to safeguard the company's ability to continue as a going concern and continue to pay dividends. The company's capital is represented by its share capital as detailed in note 10.

3 Key assumptions and significant judgements

Significant judgements

No key assumptions or significant judgements were required in the preparation of these financial statements.

Areas involving estimation

No significant estimates were required in the preparation of these financial statements.

4 Employee information and Directors' remuneration

The directors received no remuneration for the services to the company. The directors are remunerated through another group company and no recharges are made.

There were no employees of the company during the year.

5 Income from shares in group undertakings

Income from shares in group undertakings relates to dividends received from subsidiary undertakings.

6 Auditors' remuneration

The remuneration for the audit of the company financial statements of £2,000 (2021: £2,000) is borne by Anglian Water Services Limited and not recharged to the company.

Anglian Water Services UK Parent Co Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Taxation

Tax charged/(credited) to the income statement

	2022	2021
	£ 000	£ 000

Current taxation

UK corporation tax

	-	-
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It has been agreed that companies within the Anglian Water Services Financing Group (AWSFG) will not pay each other for tax losses. The Finance Bill 2021 introduced legislation to increase the main rate of UK corporation tax from 19 per cent to 25 per cent, effective April 2023. As the company has no deferred tax balances this has had no impact. The nil tax charge on the Company's profit before tax differs from the notional amount calculated by applying the UK corporation tax rate of 19 per cent (2021: 19 per cent) to the profit before tax as follows:

	2022	2021
	£ 000	£ 000

Profit before tax

	96,300	-
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Corporation tax at standard rate

	18,297	-
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Dividends receivable not being taxable

	(18,297)	-
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Total tax charge/(credit)

	-	-
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8 Dividends

	2022	2021
	£ 000	£ 000

Dividends distributed

	96,300	-
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Previous year final dividend of £0.299 (2021: £nil) per ordinary share)

Anglian Water Services UK Parent Co Limited is an intermediate holding company in the AWSFG. All dividends received were from the company's subsidiary, AWSL, and were equal to the dividends paid by the company. A dividend was paid in the year ended 31 March 2022 of £0.299 per ordinary share, which is a total of £96.3 million, being the final dividend for the year ended 31 March 2021.

Anglian Water Services UK Parent Co Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 April 2021	322,000
Additions	<u>1,165,000</u>
At 31 March 2022	<u>1,487,000</u>
Carrying amount	
At 31 March 2022	<u>1,487,000</u>
At 1 April 2021	<u>322,000</u>

The investment represents 100 per cent of the ordinary share capital of AWSL, whose principal activity is the provision of drinking water and the treatment of waste water. AWSL in turn holds 100 per cent of the ordinary shares in Anglian Water Services Financing Plc (“AWSF”) whose principal activity is the raising of listed debt to on-lend to AWSL. AWSL and AWSF are incorporated in England and Wales, the registered office of: Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.

In the year to 31 March 2022, the company purchased a further 2 newly issued £1 shares in AWSL at a premium of £1,165 million. On the same day the company issued 2 £1 shares to AWSH for cash consideration totalling £1,165 million.

10 Share capital

Allotted, called up and fully paid ordinary shares of £1 each	£'000
At 1 April 2021	322,000
Shares issued	-
At 31 March 2022	<u>322,000</u>

In the year to 31 March 2022, the company purchased a further 2 newly issued £1 shares in AWSL at a premium of £1,165 million. On the same day the company issued 2 £1 shares to AWSH for cash consideration totalling £1,165 million.

Anglian Water Services UK Parent Co Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

11 Contingent liabilities

The company, as part of the Anglian Water Financing Group of companies, guarantees unconditionally and irrevocably all the borrowings and derivatives of Anglian Water Services Financing Plc, which at 31 March 2022 amounted to £7,709.5 million (2021: £7,921.6 million). In addition there is a fixed charge over the issued share capital of the company in respect of these borrowings.

The borrowings of Anglian Water Services Limited and Anglian Water Services Holdings Limited are also guaranteed unconditionally and irrevocably by the company which at 31 March 2022 amounted to £5.3 million (2021: £10.5 million). These borrowings relate to finance leases owed by Anglian Water Services Limited to third parties.

Debt raising fees are paid by AWSL and capitalised against the borrowings in AWSL.

12 Parent and ultimate parent undertaking

The company's immediate parent undertaking is Anglian Water Services Holdings Limited, a company registered in England and Wales.

Osprey Acquisitions Limited is the parent company of the smallest group to consolidate the financial statements of the company, copies of which can be obtained from the Company Secretary at the registered office: Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.

Anglian Water Group Limited is the parent company of the largest group to consolidate the financial statements of the company, copies of which can be obtained from the Company Secretary at its registered address: 44 Esplanade, St Helier, Jersey JE4 9WG.

The Directors consider Anglian Water Group Limited, a company registered in Jersey but domiciled in the UK, to be the ultimate parent undertaking. Anglian Water Group Limited is owned and ultimately controlled by a consortium of investors consisting of the CPPIB (Hong Kong) Limited, First Sentier Investors, Infinity Investments S.A., Global InfraCo (HK) E. Limited and Camulodunum Investments Ltd.

13 Events after the balance sheet date

There have been no events between the balance sheet date, and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.