

Interim Consolidated Accounts (un-audited) for Greensands Senior Finance Ltd

For the six months ended 30 September 2023

Important notice

This report should not be relied on as a guide to future performance, and should not be relied on in deciding whether to undertake investment in the company.

Format and basis of consolidation

The abridged accounts contained within this report represent the consolidation of Greensands Senior Finance Ltd and its subsidiaries and are not presented in full Companies Act format.

FRS 101 / FRS 104

This interim financial information presents non-statutory information on the group. The full presentational requirements of FRS 101 or FRS 104 (Interim Financial Reporting) have not been applied and therefore the information is not fully compliant with FRS 101 or FRS 104.

Please note that these Interim Accounts have not been reviewed by the company's auditors

Interim Accounts

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Please note that these Interim Accounts have not been reviewed by the company's auditors

Greensands Senior Finance Limited

	Period to 30 Sep 2023 Unaudited	Period to 30 Sep 2022 Unaudited
	£m	£m
Continuing operations		
Revenue	427.7	406.0
Amortisation of provision for regulatory settlement payments	13.3	11.2
Other operating income	0.8	0.8
Operating costs:		
- before trade receivables impairment charge, depreciation and amortisation	(268.8)	(218.1)
- trade receivables impairment charge	(7.6)	(7.4)
- depreciation and amortisation	(177.3)	(170.1)
Total operating costs	<u>(453.7)</u>	<u>(395.6)</u>
Operating (loss)/ profit before interest and taxation	<u>(11.9)</u>	<u>22.4</u>
Profit on disposal of fixed assets	0.3	1.1
Net finance costs	(251.8)	(240.5)
Fair value movements on derivative financial instruments	186.2	770.8
Net finance (costs)/ income	<u>(65.6)</u>	<u>530.3</u>
(Loss)/ profit before taxation	<u>(77.2)</u>	<u>553.8</u>
Tax (charge)	(16.7)	(164.3)
(Loss)/ profit after taxation from continuing operations	<u>(93.9)</u>	<u>389.5</u>

Greensands Senior Finance Limited

	Period to 30 Sep 2023 Unaudited	Period to 30 Sep 2022 Unaudited
	£m	£m
(Loss)/ profit for the period	(93.9)	389.5
Items that cannot be reclassified to profit or loss		
Actuarial gains on retirement benefit obligation	19.6	45.8
Deferred tax asset movement relating to retirement benefit obligation	(4.9)	(11.4)
	<u>14.7</u>	<u>34.4</u>
Total comprehensive (loss)/ profit for the period	<u><u>(79.2)</u></u>	<u><u>423.9</u></u>

Greensands Senior Finance Limited

Consolidated statement of financial position

As at 30 September 2023

	As at 30 Sep 2023 Unaudited	As at 31 Mar 2023 Audited
	£m	£m
Non-current assets		
Goodwill	85.1	85.1
Intangible assets	108.6	110.0
Property, plant and equipment	7,461.9	7,247.1
Other non-current assets	9.1	11.2
Investments	0.1	0.1
Derivative financial instruments	108.6	89.3
	<u>7,773.4</u>	<u>7,542.8</u>
Current assets		
Inventories	11.4	10.4
Trade and other receivables	597.8	571.0
Cash and cash equivalents	138.7	192.8
	<u>747.9</u>	<u>774.2</u>
Total assets	<u>8,521.3</u>	<u>8,317.0</u>
Current liabilities		
Trade and other payables	(501.3)	(481.6)
Borrowings	(19.6)	(19.2)
Lease Liabilities	(3.9)	(4.0)
Regulatory settlement liability	(28.0)	(27.4)
Provisions for liabilities	(1.8)	(2.2)
	<u>(554.6)</u>	<u>(534.4)</u>
Non-current liabilities		
Borrowings	(8,240.2)	(7,822.8)
Lease Liabilities	(31.8)	(32.5)
Derivative financial instruments	(1,510.2)	(1,655.3)
Deferred tax	(2.4)	19.2
Retirement benefit obligations	(55.1)	(73.0)
Regulatory settlement liability	(14.3)	(28.2)
Provisions for liabilities	(3.2)	(3.4)
Other non-current liabilities	(42.3)	(40.3)
	<u>(9,899.5)</u>	<u>(9,636.3)</u>
Total liabilities	<u>(10,454.1)</u>	<u>(10,170.7)</u>
Total net liabilities	<u>(1,932.8)</u>	<u>(1,853.7)</u>
Equity		
Share capital	1,057.9	1,057.9
Non-distributable reserve	96.1	94.6
Retained losses	(3,086.8)	(3,006.1)
Shareholders' deficit	<u>(1,932.8)</u>	<u>(1,853.6)</u>

Greensands Senior Finance Limited

Summarised statement of changes in equity

For the six months ended 30 September 2023

	Called up share capital	Non-distributable reserve	Retained losses	Total
	£m	£m	£m	£m
Balance at 1 April 2023	1,057.9	94.6	(3,006.1)	(1,853.6)
Loss for the period	-	2.5	(96.4)	(93.9)
Other comprehensive gain for the period	-	-	14.7	14.7
Total comprehensive loss for the period	-	2.5	(81.7)	(79.2)
Reserves transfer	-	(1.0)	1.0	-
Balance at 30 September 2023	1,057.9	96.1	(3,086.8)	(1,932.8)

Summarised statement of changes in equity

For the six months ended 30 September 2022

	Called up share capital	Non-distributable reserve	Retained losses	Total
	£m	£m	£m	£m
Balance at 1 April 2022	1,058.0	88.2	(2,632.7)	(1,486.6)
Share issue	-	-	-	-
Profit for the period	-	4.0	385.5	389.5
Other comprehensive income for the period	-	-	34.4	34.4
Total comprehensive income for the period	-	4.0	419.9	423.9
Reserves transfer	-	(0.9)	0.9	-
Balance at 30 September 2022	1,058.0	91.3	(2,212.0)	(1,062.8)

Greensands Senior Finance Limited

Consolidated statement of cash flows
For the six months to 30 September 2023

	Note	Period to 30 Sep 2023 Unaudited	Period to 30 Sep 2022 Unaudited
		£m	£m
Cash generated from operations	2	89.6	143.3
Investing activities			
Interest received		3.2	1.6
Purchase of property, plant and equipment		(341.2)	(303.1)
Purchase of Intangibles assets		(14.6)	(14.8)
Proceeds on disposal of property, plant and equipment		(0.0)	0.9
Net cash used in investing activities		<u>(352.6)</u>	<u>(315.4)</u>
Financing activities			
Interest paid		(70.3)	(76.8)
Receipts on derivative financial instruments		21.7	11.5
Repayment of borrowings		(10.2)	(9.1)
Proceeds of new loans		270.0	-
Finance lease payments		(2.3)	(2.4)
Net cash inflow/ (outflow) from financing activities		<u>208.9</u>	<u>(76.8)</u>
Net decrease in cash and cash equivalents		(54.1)	(248.9)
Cash and cash equivalents at the beginning of the period		192.8	288.4
Cash and cash equivalents at end of the period	3	<u><u>138.7</u></u>	<u><u>39.5</u></u>

Greensands Senior Finance Limited

Notes to the interim financial information

1 Cash generated from operations
For the six months to 30 September 2023

	Period to 30 Sep 2023 Unaudited	Period to 30 Sep 2022 Unaudited
	£m	£m
Operating (loss)/ profit before interest and taxation	(11.9)	22.4
Depreciation of property, plant and equipment	162.9	160.5
Amortisation of Intangible assets	14.3	9.6
Amortisation of grants and contributions	(0.8)	(0.8)
Receipt of grants and contributions	3.0	1.3
Fair value of sewer adoptions	(2.5)	(4.0)
Operating cash flow before movements in working capital	<u>165.0</u>	<u>189.0</u>
Increase in Inventory	(0.9)	(1.5)
(Increase)/decrease in receivables	(25.7)	(37.5)
Increase in payables	(34.9)	5.8
Decrease in provision for regulatory settlement payments	(13.3)	(11.2)
Decrease in environmental provisions	(0.6)	(1.3)
Total net cash inflow from operating activities	<u>89.6</u>	<u>143.3</u>

2 Analysis of Consolidated Net Debt

For the six months to 30 September 2023

	At 1 April 2023	Cash flows	Other non-cash	Derivatives non-cash	At 30 Sep 2023
	£m	£m	£m	£m	£m
Cash	192.8	(54.1)	-	-	138.7
Borrowings:					
Current	(19.2)	-	(0.4)	-	(19.6)
Non-current	(7,822.8)	(259.8)	(157.6)	-	(8,240.2)
Finance leases:					
Current and non-current	(36.5)	2.3	(1.5)	-	(35.7)
Financial derivatives:					
Net	(1,566.1)	(21.7)	-	186.2	(1,401.6)
Net Debt	<u>(9,251.8)</u>	<u>(333.3)</u>	<u>(159.5)</u>	<u>186.2</u>	<u>(9,558.4)</u>

For the six months to 30 September 2022

	At 1 April 2022	Cash flows	Other non-cash	Derivatives non-cash	At 30 Sep 2022
	£m	£m	£m	£m	£m
Cash	288.4	(248.9)	-	-	39.5
Borrowings:					
Current	(285.0)	9.1	(20.0)	-	(295.9)
Non-current	(7,259.0)	(0.3)	(132.9)	-	(7,392.2)
Finance leases:					
Current and non-current	(33.4)	2.4	(2.7)	-	(33.7)
Financial derivatives:					
Net	(1,383.8)	(11.5)	-	770.7	(624.6)
Net Debt	<u>(8,696.1)</u>	<u>853.5</u>	<u>(147.2)</u>	<u>(343.1)</u>	<u>(8,332.9)</u>