

Company Registration No. 08374655

NWEN FINANCE PLC

**Half Year Condensed Financial Statements
for the period ended 30 September 2018**

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Interim Management Report

Cautionary statement

This interim management report contains certain forward-looking statements with respect to the financial condition and business of NWEN Finance plc ("the Company"). Statements or forecasts relating to events in the future necessarily involve risk and uncertainty and are made by the Directors in good faith based on the information available at the date of signature of this report, with no obligation to update these forward-looking statements. Nothing in this unaudited interim management report should be construed as a profit forecast nor should past performance be relied upon as a guide to future performance.

Financial statements

The Annual Report and Consolidated Financial Statements of the Company can be found at www.enwl.co.uk.

Operations

The Company acts as a financing company within the North West Electricity Networks (Jersey) Limited ("NWEN (J)") group of companies ("the Group"); it has debt in issue and listed on the London Stock Exchange.

There have been no significant changes to the activity of the Company in the current period.

Results

The results for the period are included in the Condensed Profit and Loss Account on page 3.

There have been no significant events in the 6 months ended 30 September 2018 in respect of the Company.

Principal risks and uncertainties

The principal risks and uncertainties have not changed from the last annual report. As the Company's obligations in respect of the listed debt are met via income receivable from North West Electricity (Holdings) Limited ("NWEN (H)"), the parent company, the Board considers the principal risks and uncertainties facing the Company to be those that affect NWEN (H) and the larger Group.

The principal trade and activities of the Group are carried out in Electricity North West Limited ("ENWL") and a comprehensive review of the strategy and operating model, the regulatory environment, the resources and principal risks and uncertainties facing that company, and ultimately the Group, are outlined in the Strategic Report of the ENWL Annual Report and Consolidated Financial Statements for the year ended 31 March 2018, which are available on the website, www.enwl.co.uk.

Going concern

When considering whether to continue to adopt the going concern basis in preparing these condensed financial statements, the Directors have taken into account a number of factors, including the financial position of the Company and the Group in which it operates.

The Company is ultimately a subsidiary of NWEN (J), and the key trading subsidiary in the Group is ENWL. As the Company's obligations in respect of the listed debt are met via income receivable from NWEN (H), the Board considers the principal risks and uncertainties facing the Company to be those that affect the larger Group.

Interim Management Report (continued)

Going concern (continued)

In consideration of this, the Directors of this Company are cognisant of the going concern disclosure in the Half Year Condensed Consolidated Financial Statements of ENWL. Disclosure of the considerations made by the Directors in terms of the ENWL cash flows, liquidity position, borrowing facilities and covenant compliance can be found in the ENWL Half Year Condensed Consolidated Financial Statements.

The Board has given detailed consideration to the principal risks and uncertainties affecting the Group and Company, as referred to above, and all other factors which could impact on the Group and the Company's ability to remain a going concern.

Consequently, after making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Half Year Condensed Financial Statements.

The going concern basis has been adopted by the Directors, with consideration of the guidance given in '*Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009*' published by the Financial Reporting Council in October 2009.

Directors

The names of the Directors who held office during the period and subsequently are given below:

Executive Directors

- Peter Emery
- David Brocksom

Non-executive Directors

- Chris Dowling
- Niall Mills
- John Lynch

Responsibility statement

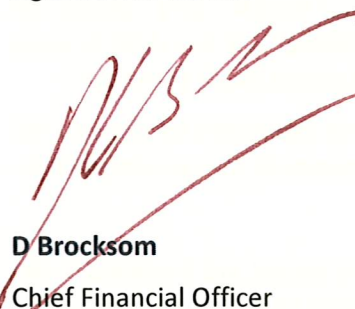
We confirm that to the best of our knowledge:

- the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer as required by DTR 4.2.4R;
- the interim management report includes a fair review of the information required by DTR 4.2.7R; and
- the condensed set of financial statements has been prepared in accordance with IAS34 '*Interim Financial Reporting*'.

Registered address

NWEN Finance plc
304 Bridgewater Place
Birchwood Park
Warrington
WA3 6XG

Approved by the Board of Directors and signed on its behalf:



D Brocksom

Chief Financial Officer
26 November 2018

Condensed Profit and Loss Account

For the period ended 30 September 2018

		Unaudited Period ended 30 Sept 2018	Unaudited Period ended 30 Sept 2017	Audited Year ended 31 Mar 2018
	Note	£000	£000	£000
Operating profit		-	-	-
Interest receivable from group companies		5,293	5,293	10,587
Interest payable on borrowings at amortised cost		(5,288)	(5,288)	(10,577)
Profit before taxation		5	5	10
Taxation	4	(1)	(1)	(2)
Profit for the period attributable to shareholders		4	4	8

All the results for the current and prior periods are derived from continuing operations.

There were no other items of comprehensive income, other than the results shown above, therefore no separate Statement of Comprehensive Income has been presented.

Condensed Balance Sheet

As at 30 September 2018

		Unaudited Period ended 30 Sept 2018	Unaudited Period ended 30 Sept 2017	Audited Year ended 31 Mar 2018
	Note	£000	£000	£000
ASSETS				
Non-current assets				
Loans to group undertakings	5	180,000	180,000	180,000
Current assets				
Interest due on loans to group undertakings	5	2,995	2,985	2,990
Cash and cash equivalents		50	50	50
		3,045	3,035	3,040
Total assets		183,045	183,035	183,040
LIABILITIES				
Current liabilities				
Accrued interest		(2,937)	(2,937)	(2,937)
Current tax liabilities		(12)	(10)	(11)
		(2,949)	(2,947)	(2,948)
Net current assets/ (liabilities)		96	88	92
Total assets less current liabilities		180,096	180,088	180,092
Non-current liabilities				
Borrowings	6	(180,000)	(180,000)	(180,000)
Total liabilities		(182,949)	(182,947)	(182,948)
Net assets		96	88	92
CAPITAL AND RESERVES				
Called up share capital		50	50	50
Profit and loss account		46	38	42
Total shareholders' funds		96	88	92

Approved by the Board of Directors on 26 November 2018 and signed on its behalf by:



D Brocksom
Director

Condensed Statement of Changes in Equity

For the period ended 30 September 2018

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 31 March 2017 (audited)	50	34	84
Profit for the period	-	4	4
At 30 September 2017 (unaudited)	50	38	88
At 31 March 2017 (audited)	50	34	84
Profit for the period	-	8	8
At 31 March 2018 (audited)	50	42	92
Profit for the period	-	4	4
At 30 September 2018 (unaudited)	50	46	96

Notes to the Condensed Financial Statements

1. General Information

NWEN Finance plc is a company incorporated in the United Kingdom under the Companies Act 2006.

The financial information for the 6 month period ended 30 September 2018 and similarly the period ended 30 September 2017 has neither been audited nor reviewed by the auditor. The financial information for the year ended 31 March 2018 has been based on information in the audited financial statements for that year.

The financial information for the year ended 31 March 2018 does not constitute the statutory financial statements for that year (as defined in s434 of the Companies Act 2006), but is derived from those financial statements. Statutory financial statements for 31 March 2018 have been delivered to the Registrar of Companies. The auditor reported on those financial statements: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under s498(2) or s498(3) of the Companies Act 2006.

2. Significant accounting policies

Basis of accounting

The Company has adopted Financial Reporting Standard 101 '*Reduced Disclosure Framework*' (FRS 101) on the basis that it meets the definition of a qualifying entity under FRS 100 '*Application of Financial Reporting Requirements*'. The Annual Report and Financial Statements have, therefore, been prepared in accordance with FRS 101, as issued by the Financial Reporting Council. The Half Year Condensed Financial Statements of the Company, have been prepared in accordance with FRS 104 '*Interim Financial Reporting*'.

As permitted by FRS 101 and FRS 104, for all periods presented, the Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to financial instruments, capital management, presentation of cash flow statement, standards not yet effective and related party transactions with other wholly-owned members of the Group.

The results for the period ended 30 September 2018 have been prepared using the same method of computation and the same accounting policies set out in the Annual Report and Financial Statements of NWEN Finance plc for the year ended 31 March 2018.

The Directors do not believe that the Company is affected by seasonal factors which would have a material effect on the performance of the Company when comparing the interim results to those expected to be achieved in the second half of the year.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Half Year Condensed Financial Statements. Further detail is contained in the Interim Management Report.

Notes to the Condensed Financial Statements (continued)

3. Critical accounting judgements and key sources of estimation uncertainty

Changes in accounting policy

There are no new accounting policies and Standards adopted for the six month period ended 30 September 2018, or expected for the remainder of the year to 31 March 2019, that have a significant impact on the Company.

4. Taxation

	Unaudited Period ended 30 Sept 2018 £000	Unaudited Period ended 30 Sept 2017 £000	Audited Year ended 31 Mar 2018 £000
Corporation tax:			
Current period	1	1	2

Corporation tax is calculated at 19% (Sept 2017: 19%, Mar 2018: 19%) of the estimated assessable profit for the period. The Government announced that it intends to reduce the rate of corporation tax to 17% with effect from 1 April 2020. The legislation has been given effect by the Finance Bill 2016 which was substantively enacted on 6 September 2016. Accordingly, the deferred tax has been calculated on the basis that it will reverse in future at the 17% rate. There is no deferred tax in any period.

5. Loans to group undertakings

	Unaudited Period ended 30 Sept 2018 £000	Unaudited Period ended 30 Sept 2017 £000	Audited Year ended 31 Mar 2018 £000
Loans to group undertakings	180,000	180,000	180,000

On 21 March 2013, the Company lent NWEN (H) £180m proceeds of the £180m 5.875% fixed rate bond maturing in 2021, on terms aligned to the terms of the external bond (see Note 6).

6. Borrowings

	Unaudited Period ended 30 Sept 2018 £000	Unaudited Period ended 30 Sept 2017 £000	Audited Year ended 31 Mar 2018 £000
Bonds held at amortised cost	180,000	180,000	180,000

As at 30 Sept 2018 the Company had a £180m 5.875% fixed rate bond in issue, maturing in 2021 and guaranteed by NWEN (H) (Sept 2017: same, Mar 2018: same).

