

Company Registration No. 02366949

ELECTRICITY NORTH WEST LIMITED

**Half Year Condensed Consolidated
Financial Statements**

for the period ended 30 September 2015

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CONDENSED CONSOLIDATED INCOME STATEMENT

For the period ended 30 September 2015

	Unaudited Six months ended 30 September 2015 £m	Unaudited Six months ended 30 September 2014 £m	Audited Year ended 31 March 2015 £m
Revenue	211.6	247.6	533.7
Employee costs	(23.8)	(18.6)	(44.5)
Depreciation and amortisation expense (net)	(42.4)	(43.2)	(85.7)
Retail property provision release/(charge)	0.7	(0.3)	-
Other operating costs	(47.8)	(54.4)	(99.4)
Restructuring costs	-	-	(2.8)
Total operating expenses	(113.3)	(116.5)	(232.4)
Operating profit	98.3	131.1	301.3
Investment income	0.4	0.1	0.3
Finance expense (net)	(12.5)	(47.0)	(209.7)
Profit before taxation	86.2	84.2	91.9
Taxation	(17.4)	(18.8)	(20.1)
Profit for the period/year attributable to equity shareholders	68.8	65.4	71.8

All the results shown in the condensed consolidated income statement derive from continuing operations.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the period ended 30 September 2015

	Unaudited Six months ended 30 September 2015 £m	Unaudited Six months ended 30 September 2014 £m	Audited Year ended 31 March 2015 £m
Profit for the financial period/year	68.8	65.4	71.8
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit pension scheme	44.7	7.4	4.4
Deferred tax on remeasurement of defined benefit pension scheme taken directly to equity	(8.9)	(1.4)	(0.9)
Adjustment due to change in future rates of brought forward deferred tax asset taken directly to equity	-	-	-
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Other comprehensive income/ (expense) for the period/year	35.8	6.0	3.5
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Total comprehensive income for the period/year and attributable to equity holders	104.6	71.4	75.3
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2015

	Unaudited 30 September 2015 £m	Unaudited 30 September 2014 £m	Audited 31 March 2015 £m
ASSETS			
Non-current assets			
Intangible assets and goodwill	35.8	20.2	29.4
Property, plant and equipment	2,890.2	2,768.1	2,836.6
Retirement benefit surplus	15.2	-	-
	<u>2,941.2</u>	<u>2,788.3</u>	<u>2,866.0</u>
Current assets			
Inventories	7.6	8.1	7.3
Trade and other receivables	54.7	63.9	66.3
Cash and cash equivalents	139.4	52.6	136.0
Money market deposits (maturity over 3 months)	10.0	-	25.0
Current tax asset	-	-	3.6
	<u>211.7</u>	<u>124.6</u>	<u>238.2</u>
Total assets	<u><u>3,152.9</u></u>	<u><u>2,912.9</u></u>	<u><u>3,104.2</u></u>
LIABILITIES			
Current liabilities			
Trade and other payables	(123.5)	(146.4)	(137.8)
Current tax liabilities	(11.3)	(20.8)	-
Provisions	(1.6)	(3.9)	(2.8)
	<u>(136.4)</u>	<u>(171.1)</u>	<u>(140.6)</u>
Net current (liabilities)/ assets	<u>(75.3)</u>	<u>(46.5)</u>	<u>97.6</u>
Non-current liabilities			
Borrowings	(1,225.5)	(1,162.1)	(1,261.4)
Derivative financial instruments	(223.3)	(115.9)	(212.2)
Deferred tax liabilities	(183.7)	(196.9)	(183.2)
Customer contributions	(548.1)	(507.6)	(538.5)
Refundable customer deposits	(2.5)	(2.6)	(4.8)
Provisions	(2.5)	(3.8)	(3.3)
Retirement benefit obligations	-	(30.3)	(33.7)
	<u>(2,185.6)</u>	<u>(2,019.2)</u>	<u>(2,237.1)</u>
Total liabilities	<u>(2,322.0)</u>	<u>(2,190.3)</u>	<u>(2,377.7)</u>
Net assets	<u><u>830.9</u></u>	<u><u>722.6</u></u>	<u><u>726.5</u></u>
EQUITY			
Called up share capital	(238.4)	(238.4)	(238.4)
Share premium account	(4.4)	(4.4)	(4.4)
Revaluation reserve	(94.1)	(105.8)	(99.2)
Capital redemption reserve	(8.6)	(8.6)	(8.6)
Retained earnings	(485.6)	(365.4)	(375.9)
Total equity	<u><u>(831.1)</u></u>	<u><u>(722.6)</u></u>	<u><u>(726.5)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2015

	Called up share capital £m	Share premium account £m	Revaluation reserve £m	Capital redemption reserve £m	Retained earnings £m	Total Equity £m
At 31 March 2014 (audited)	238.4	4.4	104.5	8.6	332.3	688.2
Profit for the period	-	-	-	-	65.4	65.4
Transfer from revaluation reserve	-	-	1.3	-	(1.3)	-
Other comprehensive income for the period	-	-	-	-	6.0	6.0
Total comprehensive (expense)/ income for the period	-	-	1.3	-	70.1	71.4
Transactions with owners recorded directly in equity:						
Equity dividends	-	-	-	-	(37.0)	(37.0)
At 30 September 2014 (unaudited)	238.4	4.4	105.8	8.6	365.4	722.6
At 31 March 2014 (audited)	238.4	4.4	104.5	8.6	332.3	688.2
Profit for the year	-	-	-	-	71.8	71.8
Transfer from revaluation reserve	-	-	(5.3)	-	5.3	-
Other comprehensive income for the year	-	-	-	-	3.5	3.5
Total comprehensive (expense)/ income for the year	-	-	(5.3)	-	80.6	75.3
Transactions with owners recorded directly in equity:						
Equity dividends	-	-	-	-	(37.0)	(37.0)
At 31 March 2015 (audited)	238.4	4.4	99.2	8.6	375.9	726.5
Profit for the period	-	-	-	-	68.8	68.8
Transfer from revaluation reserve	-	-	(5.1)	-	5.1	-
Other comprehensive income for the period	-	-	-	-	44.7	44.7
Tax on components of comprehensive income	-	-	-	-	(8.9)	(8.9)
Total comprehensive (expense)/ income for the period	-	-	(5.1)	-	109.7	104.6
Transactions with owners recorded directly in equity:						
Equity dividends	-	-	-	-	-	-
At 30 September 2015 (unaudited)	238.4	4.4	94.1	8.6	485.6	831.1

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2015

	Unaudited Six months ended 30 September 2015 £m	Unaudited Six months ended 30 September 2014 £m	Audited Year ended 31 March 2015 £m
Operating activities			
Cash generated from operations	116.7	147.4	377.8
Interest paid	(7.8)	0.6	(53.9)
Tax paid	(10.9)	(13.6)	(52.4)
Net cash generated from operating activities	98.0	134.4	271.5
Investing activities			
Interest received and similar income	0.3	0.1	0.3
Purchase of property, plant and equipment	(102.5)	(124.6)	(242.7)
Purchase of intangible assets	(8.6)	-	(11.0)
Customer contributions received	21.7	14.2	41.1
Proceeds from sale of property, plant and equipment	0.1	0.2	1.2
Net cash used in investing activities	(89.0)	(110.1)	(211.1)
Financing activities			
Dividends paid to equity shareholders of the Company	-	(37.0)	(37.0)
Transfer from/(to) money market deposits	15.0	-	(25.0)
Proceeds from borrowings	-	20.0	72.3
Repayment of borrowings	(20.6)	(20.0)	-
Net cash (used in)/ generated from financing activities	(5.6)	(37.0)	10.3
Net (decrease)/ increase in cash and cash equivalents	3.3	(12.7)	70.7
Cash and cash equivalents at beginning of the period/ year	136.0	65.3	65.3
Net cash and cash equivalents at end of the period/ year	139.4	52.6	136.0