

Interim Consolidated Accounts (un-audited) for Greensands Holdings Ltd

For the six months ended 30 September 2021

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. It should be noted that the information in this report has not been reviewed by the company's auditors.

Format and basis of consolidation

The abridged accounts contained within this report represent the consolidation of Greensands Holdings 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 Holdings Limited

Consolidated income statement
For the six months to 30 September 2021

	Period to 30 Sep 2021 Unaudited	Period to 30 Sep 2020 Unaudited
	£m	£m
Continuing operations		
Revenue	412.8	379.6
Amortisation of provision for regulatory settlement payments	12.1	17.8
Other operating income	0.8	1.5
Operating costs:		
- before court fine and costs, trade receivables impairment charge, depreciation and amortisation	(199.2)	(180.4)
- trade receivables impairment charge	(11.2)	(17.5)
- court fine and costs	(91.5)	-
- depreciation and amortisation	(153.0)	(143.8)
Total operating costs	<u>(454.9)</u>	<u>(341.7)</u>
Operating (loss)/profit before interest and taxation	(29.3)	57.2
Other income	0.1	-
Profit on disposal of fixed assets	0.8	0.3
Net finance costs	(205.8)	(189.0)
Fair value losses on derivative financial instruments	<u>(346.9)</u>	<u>(172.0)</u>
Net finance costs (including losses on derivative financial instruments)	<u>(552.7)</u>	<u>(361.0)</u>
Loss before taxation	(581.1)	(303.5)
Tax credit	3.0	37.7
Loss after taxation from continuing operations	<u>(578.1)</u>	<u>(265.8)</u>

Greensands Holdings Limited

Consolidated statement of other comprehensive income
For the six months to 30 September 2021

	Period to 30 Sep 2021 Unaudited	Period to 30 Sep 2020 Unaudited
	£m	£m
Loss for the period	(578.1)	(265.8)
Items that cannot be reclassified to profit or loss		
Actuarial losses on retirement benefit obligation	(20.2)	(132.4)
Deferred tax asset movement relating to retirement benefit obligation	(4.8)	25.2
	<u>(25.0)</u>	<u>(107.2)</u>
Total comprehensive loss for the period	<u><u>(603.1)</u></u>	<u><u>(373.0)</u></u>

Greensands Holdings Limited**Consolidated statement of financial position
As at 30 September 2021**

	As at 30 Sep 2021 Unaudited	As at 31 Mar 2021 Audited
	£m	£m
Non-current assets		
Goodwill	85.1	85.1
Intangible assets	204.0	189.7
Property, plant and equipment	6,738.4	6,609.6
Investments	0.1	0.1
Derivative financial instruments	34.3	68.2
	<u>7,061.9</u>	<u>6,952.7</u>
Current assets		
Inventories	8.3	6.3
Trade and other receivables	214.5	192.0
Cash and cash equivalents	952.7	417.2
	<u>1,175.5</u>	<u>615.5</u>
Total assets	<u>8,237.4</u>	<u>7,568.2</u>
Current liabilities		
Trade and other payables	(410.2)	(288.9)
Borrowings	(113.5)	(99.3)
Lease liabilities	(3.2)	(2.5)
Regulatory settlement liability	(24.4)	(24.2)
Provisions for liabilities	(1.7)	(3.9)
	<u>(553.0)</u>	<u>(418.8)</u>
Non-current liabilities		
Borrowings	(4,680.5)	(6,588.3)
Lease liabilities	(29.1)	(27.2)
Derivative financial instruments	(1,824.8)	(1,503.7)
Deferred tax	(336.9)	(335.4)
Retirement benefit obligations	(120.2)	(116.5)
Regulatory settlement liability	(63.3)	(75.6)
Provisions for liabilities	(4.5)	(4.3)
Other non-current liabilities	(163.9)	(159.3)
	<u>(7,223.2)</u>	<u>(8,810.3)</u>
Total liabilities	<u>(7,776.2)</u>	<u>(9,229.1)</u>
Total net assets/(liabilities)	<u>461.2</u>	<u>(1,660.9)</u>
Equity		
Share capital	3,651.6	926.4
Non-distributable reserve	79.6	76.9
Retained losses	(3,270.0)	(2,664.2)
Shareholder's funds/(deficit)	<u>461.2</u>	<u>(1,660.9)</u>

Greensands Holdings Limited

Summarised statement of changes in equity

For the six months ended 30 September 2021

	Called up share capital	Non-distributable reserve	Retained losses	Total
	£m	£m	£m	£m
Balance at 1 April 2021	926.4	76.9	(2,664.2)	(1,660.9)
Share issue	2,725.2	-	-	2,725.2
Profit/(loss) for the period	-	3.6	(581.7)	(578.1)
Other comprehensive loss for the period	-	-	(25.0)	(25.0)
Total comprehensive income/(loss) for the period	-	3.6	(606.7)	(603.1)
Reserves transfer	-	(0.9)	0.9	-
Balance at 30 September 2021	3,651.6	79.6	(3,270.0)	461.2

Summarised statement of changes in equity

For the six months ended 30 September 2020

	Called up share capital	Non-distributable reserve	Retained losses	Total
	£m	£m	£m	Restated* £m
Balance at 1 April 2020	926.4	60.2	(2,036.1)	(1,049.5)
Loss for the period	-	-	(265.8)	(265.8)
Other comprehensive loss for the period	-	-	(107.2)	(107.2)
Total comprehensive loss for the period	-	-	(373.0)	(373.0)
Reserves transfer	-	(0.8)	0.8	-
Balance at 30 September 2020	926.4	59.4	(2,408.3)	(1,422.5)

Greensands Holdings Limited

Consolidated statement of cash flows
For the six months to 30 September 2021

	Note	Period to 30 Sep 2021 Unaudited	Period to 30 Sep 2020 Unaudited
		£m	£m
Net cash from operating activities	1	146.9	149.3
Investing activities			
Interest received		0.2	0.7
Purchase of property, plant and equipment		(217.3)	(184.4)
Purchase of Intangibles assets		(18.3)	(3.9)
Proceeds on disposal of property, plant and equipment		0.6	0.1
Net cash used in investing activities		<u>(234.8)</u>	<u>(187.5)</u>
Financing activities			
Interest paid		(97.8)	(58.6)
Receipts on derivative financial instruments		11.9	13.9
Repayment of borrowings		(362.0)	(338.0)
Proceeds of new loans		-	812.9
Swap accretion payments		-	(96.5)
Repayments of principle on leases		(1.2)	(0.5)
Proceeds from share issue		1,072.5	-
Net cash from financing activities		<u>623.4</u>	<u>333.2</u>
Net increase in cash and cash equivalents		535.5	295.0
Cash and cash equivalents at the beginning of the period		417.2	282.5
Cash and cash equivalents at end of the period	2	<u>952.7</u>	<u>577.5</u>

Greensands Holdings Limited

Notes to the interim financial information

	Period to 30 Sep 2021 Unaudited	Period to 30 Sep 2020 Unaudited
	£m	£m
1 Reconciliation of operating profit to cash flow		
<u>For the six months to 30 September 2021</u>		
Operating (loss)/profit before interest and taxation	(29.3)	57.2
Depreciation of property, plant and equipment	145.1	138.6
Amortisation of Intangible assets	7.9	5.2
Amortisation of grants and contributions	(0.8)	(1.4)
Receipt of grants and contributions	5.6	1.2
Difference between pension charge and cash contributions	(17.7)	(17.5)
Fair value of sewer adoptions	(3.6)	-
Operating cash flow before movements in working capital	<u>107.2</u>	<u>183.3</u>
Increase in inventory	(2.0)	(0.5)
(Increase)/decrease in receivables	(27.0)	6.1
Increase/(decrease) in payables	82.9	(20.5)
Decrease in provision for for regulatory settlement payments	(12.1)	(17.8)
Decrease in provisions	(2.1)	(1.3)
Total net cash inflow from operating activities	<u>146.9</u>	<u>149.3</u>

2 Analysis of consolidated net debt

For the six months to 30 September 2021

	At 1 April 2021	Cash flows	Other non-cash	Movement on derivatives	At 30 Sep 2021
	£m	£m	£m	£m	£m
Cash	417.2	535.5	-	-	952.7
Borrowings:					
Current	(99.3)	-	(14.2)	-	(113.5)
Non-current	(6,588.3)	362.0	1,545.8	-	(4,680.5)
Finance leases:					
Current and non-current	(29.7)	1.2	(3.9)	-	(32.4)
Financial derivatives:					
Net	(1,435.5)	(11.9)	-	(343.1)	(1,790.5)
Net Debt	<u>(7,735.6)</u>	<u>886.8</u>	<u>1,527.7</u>	<u>(343.1)</u>	<u>(5,664.2)</u>

For the six months to 30 September 2020

	At 1 April 2020	Cash flows	Other non-cash	Movement on derivatives	At 30 Sep 2020
	£m	£m	£m	£m	£m
Cash	282.5	295.0	-	-	577.5
Borrowings:					
Current	(778.4)	330.0	(0.1)	-	(448.5)
Non-current	(5,270.2)	(804.9)	(118.6)	-	(6,193.7)
Finance leases:					
Current and non-current	(30.4)	0.5	(0.7)	-	(30.6)
Financial derivatives:					
Net	(1,173.4)	96.5	-	(205.4)	(1,282.3)
	<u>(6,969.9)</u>	<u>(82.9)</u>	<u>(119.4)</u>	<u>(205.4)</u>	<u>(7,377.6)</u>