

Chapter 19

Regulatory accounts

Historical Cost

Accounting

Covering:
Balance sheet as at 31 March 2010

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Historical Cost Accounting

Guidance

The reporting requirements relate to the appointed business and table 19 is no exception. It should be completed for the balance sheet of the appointed business only.

Company commentary

If NI Water takes advantage of the materiality threshold under Condition F to declare only the total balance sheet of the appointed business in their published regulatory accounts it should provide a summary of the non-appointed balances in the commentary to this table.

Short term loans to group companies, should not be included within debtors, but within short term investments. This is to ensure that gearing can be correctly calculated.

The movement in the profit and loss account between the current and previous year should be simply the retained profit for the year. Where this is not the case, then the details of other movements should be reported.

Amounts attributable to minority interests (if applicable) should be included within **other reserves**.

The PPP element of any line should be detailed and explained e.g. PPP element of tangible fixed assets and/or creditors.

For all items in the table (with the exception of deferred tax) significant features and movements over the last period should be noted and an explanation provided. Any comments on the deferred tax balances should be cross-referenced to your commentary on table 18 rather than repeated for this table.

PPP

NI Water should separately disclose any infrastructure renewals accounting charges, expenditure and maintenance costs associated with PPP contracts by PPP scheme and provide a supporting commentary.

Guidance to Auditors

See separate guidance for auditors.

Table 19 line definitions

Columns 1 and 2 relate to historic data.

A FIXED ASSETS

1	Tangible fixed assets	£m	3dp
Definition	Historical cost net book value of tangible fixed assets at the end of the financial year. This is stated after deducting grants and contributions received relating to infrastructure assets.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (positive number)		
Responsibility	Regulatory Finance Team		

2	Investment – loan to a group company	£m	3dp
Definition	Loans made to other group companies repayable in more than one year		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: positive number		
Responsibility	Regulatory Finance Team		

3	Investment – other	£m	3dp
Definition	All investments as defined by UKGAAP, excluding those in line 2.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: positive number		
Responsibility	Regulatory Finance Team		

4	Total fixed assets	£m	3dp
Definition	Historical cost total fixed assets		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 1, 2 and 3.		
Responsibility	Regulatory Finance Team		

B CURRENT ASSETS

5	Stocks	£m	3dp
Definition	Stocks held at the year end. Stocks consist of consumable stores and work in progress, including chemicals, stationary, petrol, backfill materials etc.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Copied: table 26 line1		
Responsibility	Regulatory Finance Team		

6	Debtors	£m	3dp
Definition	Debtors consist of all amounts owing to NI Water at the financial year end including trade debtors, prepayments and accrued income. This includes amounts falling due after more than one year.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (positive number)		
Responsibility	Regulatory Finance Team		

7	Cash	£m	3dp
Definition	Cash in hand and at bank. Overdraft balances should not be netted off the figure, they should be included separately in table 19 line 11.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

8	Short term deposits	£m	3dp
Definition	Short term deposits, including those made with associated companies.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (positive number)		
Responsibility	Regulatory Finance Team		

9	Infrastructure renewals prepayment	£m	3dp
Definition	The cumulative difference between the IRE and IRC where the IRE has exceeded the IRC.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (positive number) If the balance sheet carries an accrual then enter 0 in this line and report the accrual in line 12.		
Responsibility	Regulatory Finance Team		

10	Total current assets	£m	3dp
Definition	Historical cost total current assets		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 5, 6, 7, 8 and 9.		
Responsibility	Regulatory Finance Team		

C CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

11	Overdrafts	£m	3dp
Definition	Overdrafts		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

12	Infrastructure renewals accrual	£m	3dp
Definition	The cumulative difference between the IRE and IRC where the IRC has exceeded the IRE.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number. If the balance sheet carries a prepayment then enter 0 in this line and report the prepayment in line 9.		
Responsibility	Regulatory Finance Team		

13	Creditors	£m	3dp
Definition	Creditors due within one year, excluding overdrafts, infrastructure renewals accrual, corporation tax payable and dividends payable.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

14	Borrowings	£m	3dp
Definition	Borrowings falling due within one year comprises obligations under finance leases due within the year, loans due to other group companies repayable within one year, redeemable debentures repayable within one year, bonds redeemable within one year, commercial paper due within one year, bills of exchange maturing within one year and any other form of borrowing repayable in less than one year. Accrued interest, mains deposits and the fair value of interest rate swap agreements should not be included.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (negative number)		
Responsibility	Regulatory Finance Team		

15	Corporation tax payable	£m	3dp
Definition	Any balances of Corporation tax due to HMRC		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

16	Ordinary share dividends payable	£m	3dp
Definition	Any unpaid dividends which have been recognised in accordance with FRS21.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

17	Preference share dividends payable	£m	3dp
Definition	Any unpaid preference share dividends.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

18	Total creditors	£m	3dp
Definition	Total creditors falling due within one year		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 11, 12, 13, 14, 15, 16 and 17.		
Responsibility	Regulatory Finance Team		

19	Net current assets	£m	3dp
Definition	Historical cost net current assets		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 10 and 18.		
Responsibility	Regulatory Finance Team		

D CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

20	Borrowings	£m	3dp
Definition	Borrowings falling due after one year comprises obligations under finance leases due after one year, loans due to other group companies repayable after one year, redeemable debentures repayable after one year, bonds redeemable after one year, commercial paper due after one year, bills of exchange maturing after one year and any other form of borrowing repayable after one year. Accrued interest, mains deposits and the fair value of interest rate swap agreements should not be included.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (negative number)		
Responsibility	Regulatory Finance Team		

21	Other creditors	£m	3dp
Definition	Creditors due after one year (other than items defined as borrowings).		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (negative number)		
Responsibility	Regulatory Finance Team		

22	Total creditors	£m	3dp
Definition	Total creditors due after one year		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 20 and 21		
Responsibility	Regulatory Finance Team		

E PROVISION FOR LIABILITIES AND CHARGES

23	Deferred tax provision	£m	3dp
Definition	The deferred tax position as defined under UKGAAP.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (will be a negative number if a net liability or positive number if a net asset).		
Responsibility	Regulatory Finance Team		

24	Deferred income – grants and contributions	£m	3dp
Definition	Deferred income received which is to be credited to the profit and loss account over a number of future years. This arises from grants and contributions on capital expenditure.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (negative number)		
Responsibility	Regulatory Finance Team		

25	Post employment asset/(liabilities)	£m	3dp
Definition	The excess/shortfall of the pension scheme assets over/below the pension scheme assets over/below the present value of the scheme liabilities (as defined in FRS17 'Retirement Benefits').		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

26	Other provisions	£m	3dp
Definition	All provisions including restructuring or reorganisation provisions but excluding the deferred tax provision.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (negative number)		
Responsibility	Regulatory Finance Team		

F PREFERENCE SHARE CAPITAL

27	Preference share capital	£m	3dp
Definition	Preference share capital		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: negative number		
Responsibility	Regulatory Finance Team		

28	Net assets employed	£m	3dp
Definition	Total assets employed by the business under the historical cost accounting convention.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 4, 19, 22, 23, 24, 25, 26 and 27; it is validated by line 33.		
Responsibility	Regulatory Finance Team		

G CAPITAL AND RESERVES

29	Called up share capital	£m	3dp
Definition	Nominal value of shares of NI Water which are issued and fully paid.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: positive number		
Responsibility	Regulatory Finance Team		

30	Share premium	£m	3dp
Definition	Excess of proceeds from share issue over the nominal value of shares issued less amounts written off for approved purposes under the Companies (Northern Ireland) Order 1990.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: positive number		
Responsibility	Regulatory Finance Team		

31	Profit and loss account	£m	3dp
Definition	Cumulative balance of profits retained under the historical cost accounting convention.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (should be the sum of line 31 column 2+ table 18 line 15 column 3+ table 18c line 2 column 3 + table 18c line 3 column 3)		
Responsibility	Regulatory Finance Team		

32	Other reserves	£m	3dp
Definition	Non-distributable reserves (other than share capital and share premium). It will include Capital Redemption reserves, contingency reserves and other capital reserves. Amounts attributable to minority interests (if applicable) should also be included in this category.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input: (positive number)		
Responsibility	Regulatory Finance Team		

33	Capital and reserves	£m	3dp
Definition	Total of shareholders' funds.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: the sum of lines 29, 30, 31 and 32.		
Responsibility	Regulatory Finance Team		

CHANGE CONTROL SHEET

CHAPTER 19

2008/1.0	First issue of chapter for the SBP period
2009/1.0	Second issue of chapter for the SBP period.
2010/1.0	Third issue of chapter for the SBP period — Minor changes to processing rules for line 31. — Additional requirements for PPP reporting.