

Balance Sheet

31 December 2010

	Note	2010		2009	
		£'000	£'000	£'000	£'000
Fixed assets	2		64,085		61,170
Current assets					
Stock and work in progress			698		957
Debtors	3		4,702		4,942
Bank and cash			1,652		2,791
			<u>7,052</u>		<u>8,690</u>
Creditors – Amounts falling due within one year					
Creditors and accruals	4		(2,720)		(2,667)
Bank loans	6		(5,250)		(3,650)
Income tax			(210)		(96)
			<u>(8,180)</u>		<u>(6,413)</u>
Net current (liabilities) / assets			(1,128)		2,277
Total assets less current liabilities			62,957		63,447
Creditors – Amounts falling due after more than one year					
Bank loans	6		(9,650)		(11,250)
Non-equity preference shares	9b		(5,382)		(5,382)
			<u>(15,032)</u>		<u>(16,632)</u>
Provisions for liabilities and charges					
Deferred taxation	7		(5,356)		(5,028)
Net assets excluding pension liability			42,569		41,787
Pension asset / (liability)	8		388		(854)
Net assets			£42,957		£40,933
Equity capital and reserves					
Called up equity share capital	9a		483		483
Capital redemption reserve			124		124
			<u>607</u>		<u>607</u>
Share premium account			678		678
Reserves	10		41,672		39,648
Shareholders' funds	11		£42,957		£40,933

The financial statements on pages 19 to 35 were approved by the Board of Directors on 8 April 2011 and were signed on its behalf by:

Kevin Keen
Chairman

Profit and Loss Account

For the year ended 31 December 2010

	Note	2010		2009	
		£'000	£'000	£'000	£'000
Turnover					
Water supply charges	12	13,854		13,766	
Rechargeable works income		475		640	
Other income		323		322	
			14,652		14,728
Cost of sales					
Pumping expenses		(645)		(748)	
Operation of reservoirs and works		(2,406)		(2,489)	
Distribution and analysis of water		(1,716)		(1,728)	
Desalination station expenses		(212)		(234)	
Miscellaneous		(326)		(375)	
			(5,305)		(5,574)
Administration					
Administration expenses	13	(2,464)		(2,271)	
Insurances		(247)		(307)	
			(2,711)		(2,578)
Depreciation					
Completed works	2	(1,578)		(1,577)	
Provision for impairment	2	-		(422)	
			(1,578)		(1,999)
Expenditure			(9,594)		(10,151)
Operating profit			5,058		4,577
Profit on disposal of fixed assets			93		638
Interest					
- payable	14	(654)		(646)	
- receivable		10		37	
Non-equity dividends	15	(381)		(381)	
Other finance income / (expense)	8	25		(140)	
			(1,000)		(1,130)
Profit before taxation			4,151		4,085
Jersey income tax	5		(830)		(786)
Profit for the financial year			£3,321		£3,299
Earnings per ordinary share of £1	17		£6.88		£6.83

There is no material difference between the reported profit for 2010 and 2009 and the profit prepared on the historical cost basis.

The results for the current and prior year all relate to continuing operations.

Statement of Total Recognised Gains and Losses

For the year ended 31 December 2010

	Note	2010	2009
		£'000	£'000
Profit for the year		3,321	3,299
Gain / (loss) arising on pension liabilities	8	84	(471)
Gain arising on revaluation of investment property	2	1,314	-
Reversal of other deferred tax timing differences	7	-	(213)
Total recognised gains and losses for the year		£4,719	£2,615

Cash Flow Statement

For the year ended 31 December 2010

	Note	2010		2009	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	18		5,756		4,142
Returns on investments and servicing of finance					
Interest received		10		114	
Interest paid		(664)		(640)	
Non-equity dividends paid		(381)		(381)	
Net cash outflow from returns on investments and servicing of finance			(1,035)		(907)
Taxation					
Jersey income tax paid			(128)		(501)
Capital expenditure					
Purchase of fixed assets		(3,206)		(3,455)	
Disposal of fixed assets		169		708	
Equity dividends paid			(3,037)		(2,747)
			(2,695)		(1,444)
Net cash outflow before use of liquid resources and financing			(1,139)		(1,457)
Management of liquid resources					
Net cash withdrawn from fixed deposit			-		2,000
(Decrease) / increase in cash	19		£(1,139)		£ 543
Reconciliation of net cash flow to movement in net debt					
	Note		2010		2009
			£'000		£'000
(Decrease) / increase in cash			(1,139)		543
Net cash withdrawn from fixed deposit			-		(2,000)
Movement in net debt	19		(1,139)		(1,457)
Net debt brought forward	19		(17,491)		(16,034)
Net debt carried forward	19		£(18,630)		£(17,491)