

# Report on the Regulatory Tables for the year ended 31 March 2016

## Accounting requirements

Scottish Water prepares its statutory financial statements under the International Financial Reporting Standards (IFRS). For the 2015/16 financial year, the regulatory tables (M & N) have included IFRS based information, where relevant, in addition to some 'original' Regulatory historical cost accounting information. Details and explanations of the IFRS adjustments are provided in the M table commentary and appendices.

The accounting policies used are the same as those adopted in Scottish Water's statutory financial statements for the year ended 31 March 2016.

## Results

The HCA surplus for the year after taxation amounted to £137.9 million for the regulated activities of Scottish Water (Table M1). On the IFRS basis (excluding IAS19 adjustments; Table M4), the surplus for the year after taxation was £124.1 million. Details of the financial results are detailed in the regulatory M and N tables.

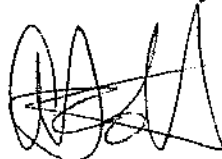
## Declaration

The regulated business has sufficient financial resources to enable it to carry out, for at least the next twelve months, its regulated activities and sufficient management resources to enable it to carry out its functions.

There have been no changes in Scottish Water's activities which will have any material impact on its ability to finance its regulated activities.

Transactions and activities entered into with associated companies were made on a basis compliant with Regulatory Accounting Rule 5.

The fundamental accounting records, on which the regulatory tables are based, comply with the Water Industry (Scotland) Act 2002.



**Alan Scott**  
**Finance Director**  
\_\_\_ June 2016

# Scottish Water Regulatory Accounts 2015-16

## Director Sign Off Sheet

**The contents of the following tables have been authorised for submission to the Water Industry Commission by the undersigned Director of Scottish Water.**

### Regulatory Accounts

Table M1 – Historic Cost Income and Expenditure Account  
Table M2 – Historic Cost Balance Sheet  
Table M3 – Historic Cost Balance Sheet - Reconciliation to Statutory Accounts  
Table M4 – IFRS Regulatory Accounts Income and Expenditure (Core)  
Table M19 – IFRS Regulatory Accounts Statement of Comprehensive Income (Core)  
Table M5 – IFRS Regulatory Accounts Balance Sheet (Core)  
Table M6 – Regulatory Income & Expenditure and Cash Flow (Core)  
Table M6-R – Regulatory Accounts Ratio Information (Core)  
Table M7 – Analysis of Turnover and Operating Income  
Table M11 – Regulatory Accounts Working Capital (Core)  
Table M18W – Activity Based Costing – Water Service  
Table M18WW – Activity Based Costing - Wastewater Service  
Table M21 – Taxation Analysis (Core)  
Table M22 – Fixed asset additions and expected depreciation  
Table M27 – Consolidated Income & Expenditure Account (Historic cost)  
Table M28 – Consolidated Balance Sheet (Historic cost)

### Transfer Pricing

Table N1 – Transfer Pricing Summary (Capex)  
Table N2 – Transfer Pricing Summary (P & L)



Signed \_\_\_\_\_

Alan Scott  
Finance Director  
Scottish Water