

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1992
ADRODDIAD Y CYFARWYDDWYR A DATGANIADAU ARIANNOL
AR GYFER Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992**

Registered No. 2366776
Rhif Cofrestru 2366776

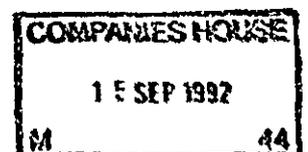
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DIRECTORS AND ADVISORS

John Elfed Jones CBE, DL
Chairman

Iain Evans + (R)
Deputy Chairman

Graham Hawker
Group Marketing Director

Paul Twamley
Group Finance Director

Brian Charles (G)
Managing Director
Dŵr Cymru Cyfyngedig

Grant Hawkins + (A,R)

John James + (R)

Tim Knowles + (A,G,R)

+ Non-Executive Director

(A) Member of the Audit Committee

(G) Member of the Grants Committee

(R) Member of the Remuneration Committee

GROUP COMPANY SECRETARY AND REGISTERED OFFICE

Timothy J Warwick MBA FCIS
Plas -y- Ffynnon, Cambrian Way,
Brecon, Powys LD3 7HP

FINANCIAL ADVISERS

County Natwest Limited
135 Bishopsgate, London EC2N 3UR

SOLICITORS

Edwards Geldard
Dumfries House, Dumfries Place,
Cardiff CF1 4YF

Allen and Overy
9 Cheapside, London EC2V 6AD

BROKERS

Kleinwort Benson Securities Limited
20 Fenchurch Street, London EC3P 3DB

Bell Lawrie White & Co. Ltd
Sutherland House, Castlebridge
Cowbridge Road East
Cardiff CF1 9AB

AUDITOR

Coopers & Lybrand
Chartered Accountants
Churchill House, Churchill Way
Cardiff CF1 4XE

PRINCIPAL BANKERS

National Westminster Bank Plc
27 High Street, Brecon, Powys LD3 7LF

REGISTRARS

National Westminster Bank Plc
Registrars Department
PO Box 82, Caxton House
Redcliffe Way, Bristol BS99 7NI1

CYFARWYDDWR AC YMGYNGHORWYR

John Elfed Jones CBE, DL
Cadeirydd

Iain Evans + (R)
Is-Gadeirydd

Graham Hawker
Rheolwr Cyfarwyddwr Y Grŵp

Paul Twamley
Cyfarwyddwr Cyllid Y Grŵp

Brian Charles (G)
Rheolwr Cyfarwyddwr
Dŵr Cymru Cyfyngedig

Grant Hawkins + (A,R)

John James + (R)

Tim Knowles + (A,G,R)

+ Cyfarwyddwr Amweithredol

(A) Aelod o'r Pwyllgor Archwilio

(G) Aelod o'r Pwyllgor Grantiau

(R) Aelod o'r Pwyllgor Chydabyddiaeth

YSGRIFENNYDD CWMNI GRŴP SWYDDFA GOFRESTREDIG

Timothy J Warwick MBA FCIS
Plas -y- Ffynnon, Ffordd Cambria,
Aberhonddu, Powys LD3 7HP

YMGYNGHORWYR ARIANNOL

County Natwest Limited
135 Bishopsgate, Llundain EC2N 3UR

CYFREITHWYR

Edwards Geldard
Tŷ Dumfries, Dumfries Place
Caerdydd CF1 4YF
Allen and Overy
9 Cheapside, Llundain EC2V 6AD

BROCERIAID

Kleinwort Benson Securities Limited
20 Fenchurch Street, Llundain EC3P 3DB

Bell Lawrie White & Co Ltd
Tŷ Sutherland, Castlebridge
Cowbridge Road East
Caerdydd CF1 9AB

ARCHWILIWR ARIANNOL

Coopers & Lybrand
Cyfrifwyr Siartredig
Tŷ Churchill, Churchill Way
Caerdydd CF1 4XE

PRIF FANCWYR

National Westminster Bank Plc
27 Y Stryd Fawr, Aberhonddu,
Powys LD3 7LF

COFRESTRYDDION

National Westminster Bank Plc
Adran Y Cofrestryddion
Bos 82, Caxton House, Redcliffe Way,
Bryste BS99 7NI1



REPORT OF THE DIRECTORS ADRODDIAD Y CYFARWYDDWYR

The directors have pleasure in presenting their third annual report to shareholders, together with the audited financial statements for the year ended 31 March 1992 on pages 50 to 82.

PRINCIPAL ACTIVITIES OF THE GROUP

The Group is principally engaged in the provision of water supply and sewerage services, but in addition provides engineering, environmental and analytical consultancy, leisure business development, pipelaying services, waste management and other new business initiatives.

CONSOLIDATED RESULTS AND TRANSFER TO RESERVES

Profit on ordinary activities before taxation amounted to £138.2m (1991 £128.1m). The profit attributable to shareholders amounted to £127.3m (1991 £118.4m) which, after dividends of £30.8m (1991 £28.1m), resulted in a transfer to reserves of £96.5m (1991 £90.3m).

DIVIDEND

The directors recommend a final dividend of 14.27p (net) per Ordinary share making a total dividend of 21.40p (net) for the year to 31 March 1992. This will be paid on 1 October 1992 to shareholders whose names are on the register at the close of business on 1 July 1992.

Mae'n bleser gan y cyfarwyddwyr gyflwyno'u trydydd adroddiad blynyddol i'r cyfranddalwyr, ynghyd â'r datganiadau ariannol am y flwyddyn yn diwedd ar 31 Mawrth 1992 ar dudalenau 50 hyd 82.

PRIF WEITHGAREDDAU'R GRŴP

Darparu gwasanaethau diŵr a charthffosiaeth yw prif fusnes y grŵp, ond at hyn mae'n rhoi cyngor ym meysydd peirianneg, yr amgylchedd a dadansoddi, datblygu busnes hawdden, gwasanaethau gosod pibau, datblygu rheoli gwastraff a mentrau busnes eraill.

CANLYNIADAU CYDGYFNERTHEDIG A THROSGLWYDDIADAU I'R GRONFA WRTH GEFN

Roedd yr ehw ar weithgareddau cyffredin cyn treth yn £138.2m (1991 £128.1m). Yr ehw sydd i'w briodoli i'r cyfranddalwyr oedd £127.3m (1991 £118.4m) ac ar ôl rhannu buddrannau o £30.8m (1991 £28.1m) trsglwyddwyd £96.5m (1991 £90.3m) i'r gronfa wrth gefn.

BUDDRAN

Mae'r cyfarwyddwyr yn argymhell buddran derfynol o 14.27c (net) ar gyfer pob cyfranddaliad cyffredin gan wneud cyfanswm y buddran o 21.40c (net) am y flwyddyn hyd at 31 Mawrth 1992. Fe gaiff hon ei thalu ar 1 Hydref 1992 i gyfranddalwyr sydd â'u henwau ar y gofrestr ar derfyn busnes ar 1 Gorffennaf 1992.



CAPITAL EXPENDITURE

The analysis of capital expenditure and details of capital commitments are shown on pages 66, 67, 73 and 74.

SHARE CAPITAL

As at 10 June 1992 the Company has not been notified of any beneficial interests amounting to 3% or more of the issued ordinary share capital of the Company apart from the following:-

Gartmore Investment Management Limited	5.76%
The Chase Manhattan Bank N.A.	5.20%
The Capital Group Inc.	4.04%
Rockleigh Corporation PLC	3.34%
Fidelity Investments	3.01%

CLOSE COMPANY

The Company is not a close company within the terms of the Income and Corporation Taxes Act 1988.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Directors' and officers' liability insurance is arranged on behalf of the Company, its subsidiaries, directors and certain specified managers. This policy is renewed annually.

GWARIANT CYFALAF

Dangosir dadansoddiad o'r gwariant cyfalaf a manylion yr ymrwymadau cyfalaf y naill ar dudalennau 66, 67, 73 ar 74.

CYFALAF CYFRANDDALIADAU

Hyd at 10 Mehefin 1992 nid yw'r Cwmni wedi cael gwybod am unrhyw ddi-ddordebau buddiannol a fo'n 3% neu fwy o gyfalaf cyfranddaliadau cyffredin y Cwmni a ddyrammwyd ar wahân i'r canlynol:-

Gartmore Investment Management Limited	5.76%
The Chase Manhattan Bank N.A.	5.20%
The Capital Group Inc.	4.04%
Rockleigh Corporation PLC	3.34%
Fidelity Investments	3.01%

CWMNI CAEÏDIG

Nid yw'r Cwmni'n gwmni caeïdig o fewn termau Deddf Trethi Incwm a Chorfforaethau 1988.

YSWIRIANT ATEBOLRWYDD Y CYFARWYDDWYR A'R SWYDDOGION

Trefnir yswiriant atebolrwydd y cyfarwyddwyr a'r swyddogion ar ran y Cwmni, ei isgwmnïau, cyfarwyddwyr a rheolwyr penodol neilltuol. Adolygir y polisi hwn yn flynyddol.



DIRECTORS

The names of the current directors of the Company are shown on Page 43.

D G Hawkins who retires by rotation in accordance with the Company's Articles of Association, offers himself for re-election at the Annual General Meeting. D A Jeffrey retired as a director on 31 December 1991.

On 1 January 1992 B H Charles was appointed a director and on 1 May 1992 P J Twamley was appointed a director.

Having been appointed to office since the last Annual General Meeting members will be asked, in accordance with the Company's Articles of Association, to approve re-election of B H Charles and P J Twamley as directors of the Company.

DIRECTORS' SERVICE CONTRACTS

J E Jones, G A Hawker, P J Twamley and B H Charles have contracts of service with the Company which can be terminated by eighteen months notice at any time. J M James has a contract in his capacity as non-executive Chairman of Welsh Water Enterprises Limited which is determinable by eighteen months notice. No other directors have contracts of service.

DIRECTORS' INTERESTS

The beneficial interests of the directors in the Ordinary shares of the Company as at 31 March 1992 and 31 March 1991 are as follows:-



Y CYFARWYDDWYR

Dangosir enwau cyfarwyddwyr cyfredol y Cwmni ar Dudalen 43.

Mae D G Hawkins, sy'n ymddeol yn ei dro yn unol ag Erthyglau Cyweithio'r Cwmni, yn ei gynnig ei hun i'w ailethol yn y Cyfarfod Cyffredinol Blynnyddol. Ymddeolodd D A Jeffrey fel cyfarwyddwr ar 31 Rhagfyr 1991.

Ar 1 Ionawr 1992 penodwyd B H Charles yn gyfarwyddwyr ac ar 1 Mai 1992 penodwyd P J Twamley yn gyfarwyddwr.

Gan eu bod wedi'u penodi i'w swyddi ar ôl y Cyfarfod Blynnyddol diwethaf fe ofynnir i'r aelodau, yn unol ag Erthyglau Cyweithio'r Cwmni, i gymeradwyo ailethol B H Charles a P J Twamley yn gyfarwyddwyr i'r Cwmni.

CONTRACTAU GWASANAETH Y CYFARWYDDWYR

Mae gan J E Jones, G A Hawker, P J Twamley a B H Charles contractau gwasanaeth gyda'r Cwmni y gellir eu terfynu drwy roi rhybudd o ddeunaw mis ar unrhyw adeg. Mae gan J M James gytundeb yn ei gynhwyster fel Cadeirydd anweithredol o Welsh Water Enterprises Limited a benderfynir trwy rhybudd o ddeunaw mis. Nid oes contractau gwasanaeth gan gyfarwyddwyr eraill.

DIDDORDEBAU'R CYFARWYDDWYR

Mae diiddordebau buddiannol y cyfarwyddwyr yng nghyfranddaliadau Cyffredin y Cwmni fel ar 31 Mawrth 1992 a 31 Mawrth 1991 fel a ganlyn:-

	Ordinary shares of £1 Cyfranddaliadau Cyffredin o £1		Executive Share Options Opsiyonau Cyfranddaliadau'r Cyfarwyddwyr		Sharesave Options Opsiyonau 'Sharesave'	
	31.3.92	31.3.91	31.3.92	31.3.91		
J E Jones	6,264	6,264	180,408	180,408	6,136	J E Jones
I R Evans	500	500	-	-	-	I R Evans
G A Hawker	2,995	2,495	104,126	84,126	6,136	G A Hawker
B H Charles	2,295	2,295*	49,208	38,357*	3,961*	B H Charles
D G Hawkins	500	500	-	-	-	D G Hawkins
J M James	500	500	-	-	-	J M James
T Knowles	9,200	9,200	-	-	-	T Knowles

The Sharesave Options shown above were held at both 31 March 1991 and 1992 or date of appointment.

* As at date of appointment

During the period 1 April 1992 to 10 June 1992 there were no changes in the directors' interests.

J E Jones, G A Hawker and, from 1 May 1992, P J Twanley are directors of WW Share Scheme Trustees Limited which holds 525,400 (1991 735,042) fully paid Ordinary shares as trustees for employees who were beneficially entitled to them under the special arrangements made at the time of the Offer for Sale.

EMPLOYEE INFORMATION

The Group's policy towards its employees continues to be that of development of human resources designed to maximise positive attitudes.

To encourage employees to take a greater interest in the operating of the Group relevant information of its development is disseminated by way of staff briefings, company newspaper, video and

Roedd yr Opsiyonau 'Sharesave' a ddangosir uchod yn cael eu dal ar 31 Mawrth 1991 a 1992 neu dyddiad y penodi.

*Fel ar ddyddiad y penodiad

Yn ystod y cyfnod 1 Ebrill 1992 iau 10 Mehefin 1992 ni fu newid yn niddordebau'r cyfarwyddwyr.

Mae J E Jones, G A Hawker ac, o 1 Mai 1992, P J Twanley yn gyfarwyddwyr i WW Share Scheme Trustees Limited sy'n dal 525,400 (1991 735,042) o gyfranddaliadau Cyffredin fel ymddiriedolwyr ar ran cyflogedigion oedd â hawl buddiannol i'r cyfranddaliadau o dan y trefniadau arbenig a wnaed ar adeg y Cynigiad i Werthu.

GWYBODAETH AM Y CYFLOGEDIGION

Mae polisi'r Grŵp tuag at ei gyflogedigion yn parhau i fod yn un o ddatblygu adnoddau dynol ac mae wedi'i ddylunio i hybu agweddau cadarnhaol.

I annog ei gyflogedigion i gynnryd mwy o ddiddordeb yng ngwaith y Grŵp lledaenir gwybodaeth berthnasol am ei ddatblygiadau drwy gyfarfodydd staff, papur newydd y Cwmni, fideo ac adroddiadau ar wahân o'u cwmnïau gwelthredol. Ffyrwyddir cyfranogi ariannol drwy

EMPLOYEE INFORMATION (continued)

separate reports of their own operating companies. Financial involvement is encouraged through participation in employee share schemes.

Through greater involvement in their Group it is believed employees are motivated to improve their own skill levels and organisational effectiveness and consequently undertake training and development to achieve this.

The "Partnership Agreement" with employees is now being fully implemented within the Group. Conditions of employment are being harmonised and integrated payroll structures are being introduced whenever practicable. Emphasis on the importance of health, safety and welfare of employees continues.

The Group remains committed to giving full and fair consideration to applications for employment made by disabled persons and continues to promote career development of such persons, whilst they are in the Group's employment.

RESEARCH AND DEVELOPMENT

Research and development is carried out primarily in the water supply and sewerage services sector of the Group.

CONTRIBUTIONS FOR CHARITABLE AND POLITICAL PURPOSES

During the year, there have been no political donations, and charitable donations amounted to £35,000 (1991 £26,000).

GWYBODAETH AM Y CYFLOGEDIGION (parhad)

gyfrannu i gylluniau cyfranddaliadau cyflogedigion.

Drwy ymwneud mwy â'u Grŵp credid fod cyflogedigion yn cael eu cynnell i wella'u medrau a'u heffeithiolrwydd trefnu ac o ganlyniad fe fyddan nhw'n ymgymryd â hyfforddian a datblygiad er mwyn llwyddo.

Mae'r "Cymuned Partneriaeth" gyda'n cyflogedigion bellach yn cael ei weithredu'n llawn o fewn y Grŵp. Mae amodau cyflogaeth yn cael eu cysoni â'i gilydd ac fe roddir strwythurau rhestrig cyflog integreiddiedig ar waith ble bynnag y bo hynny'n ymarferol. Mae'r puryslais ar buysigrwydd iechyd, diogelwch a lles ei gyflogedigion yn parhau.

Mae'r Grŵp yn dal yn ymroddedig i roi ystyriaeth lawn a theg i ymgeidau am gyflogaeth a uncir gan bersonau anabl ac mae'n hyrwyddo datblygu gyrfa ar gyfer y cyfryw bersonau tra byddan nhw'n cael eu cyflogi gan y Grŵp.

YMCHWIL A DATBLYGIAD

Fe uncir ymchwil a datblygiad yn bennaf yn sector cystenwael diŵr a gwasanaethau cartiffosiaeth y Grŵp.

CYFRANIADAU AT DDIBENION ELUSENNOL A GWLEIDYDDOL

Yn ystod y flwyddyn ni wnaethpwyd unrhyw gyfraniadau gwleidyddol, ac roedd y cyfraniadau elusennol yn £35,000 (1991 £26,000).



**REGULATORY ACCOUNTS - DŴR
CYMRU CYFYNGEDIG**

Condition F of the Instrument of Appointment under which Dŵr Cymru Cyfyngedig, the Group's regulated utility business, operates requires specified accounting statements to be published. Copies of these accounts will be available from the Company Secretary after 1 August 1992.

**SPECIAL BUSINESS AT THE
ANNUAL GENERAL MEETING**

At the Annual General Meeting on 30 July 1992 an ordinary resolution will be proposed to authorise the directors to amend the rules of the Welsh Water Savings Related Share Option Scheme. There will also be proposed a special resolution to authorise the directors to allot equity securities for cash.

The resolutions are set out in the Notice of Meeting and clarified in the explanatory notes.

AUDITOR

Coopers & Lybrand have signified their willingness to continue in office and a resolution for their reappointment will be proposed at the Annual General Meeting. Until 1 June 1992 the firm practised in the name of Coopers & Lybrand Deloitte.

By Order of the Board

T J Warwick

Company Secretary

10 June 1992

**CYFRIFON RHEOLYDDOL - DŴR
CYMRU CYFYNGEDIG**

Mae amod F yu yr Offeren Penodi y mae Dŵr Cymru Cyfyngedig yn gweithi o dano, yn mynnu fod datganiadau cyfrisyddol penodol yn cael eu cyhoeddi. Bydd copiau o'r cyfrifon hyn ar gael addi wrth Ysgrifennydd y Cwmni ar ôl 1 Awst 1992.

**BUSNES ARBENNIG YN Y
CYFARFOD CYFFREDINOL
BLYNYDDOL**

Yu y Cyfarfod Cyffredinol Blynnyddol ar 30 Gorffennaf 1992 fe gynigir penderfyniad i awdurdodi cyfarwyddwyr i wella rheolau Cynllun Opsiwn Cyfrauddaliadau Cysylltiedig â Chynllun Welsh Water. Fe gynigir hefyd benderfyniad arbennig i awdurdodi cyfarwyddwyr i ueilltuo gwarantau cwmni am arian.

Gosodir y Penderfyniadau yn y Rhybudd o'r Cyfarfod ac fe'i heglurir yn y nodiadau esboniadol.

ARCHWILIWR

Mae Coopers & Lybrand wedi dangos eu parodrwydd i barhau yn eu swydd ac fe unwir cynnig i'w hailbenodi yn y Cyfarfod Blynnyddol Cyffredinol. Tan 1 Mehefin 1992 fe fu'r cwmni'n gweithredu yn enw Coopers & Lybrand Deloitte.

Drwy Orchymyn y Bwrdd

T J Warwick

Ysgrifennydd y Cwmni

10 Mehefin 1992



**REPORT OF THE AUDITOR TO THE MEMBERS OF
WELSH WATER PLC
ADRODDIAD YR ARCHWILIWR AT AELODAU
WELSH WATER PLC**

We have audited the financial statements on pages 50 to 82 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 31 March 1992 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand
Coopers & Lybrand

Chartered Accountants and Registered Auditor
Cardiff

10 June, 1992

Rydym ni wedi archwilio'r datganiadau ariannol ar dudaleddau 50 i 82 yn unol â Safonau Archwilio.

Yn ein barn ni mae'r datganiadau ariannol yn rhoi darlun gwir a theg o sefyllfa'r Cwmni a'r Grŵp ar 31 Mawrth 1992 ac o elw a llif arian y Grŵp ar gyfer y flwyddyn oedd yn terfynu y pryd hynny ac wedi'u paratoi'n briodol yn unol â Deddf y Cwmnïau 1985.

Coopers & Lybrand
Coopers & Lybrand

Cyfrifyddion Siartredig ac Archwiliwr Cofrestredig
Caerdydd

10 Mehefin, 1992

**PRINCIPAL ACCOUNTING POLICIES
Y PRIF BOLISIAU CYFRIFYDDOL**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the principal Group accounting policies, which have been consistently applied, is shown below.

BASIS OF ACCOUNTING

These financial statements have been prepared under the historical cost convention.

Mae'r datganiadau ariannol wedi'u paratoi yn unol â'r Safonau Cyfrifyddol perthnasol yn y Deyrnas Gyfunol. Dangosir crynodeb isod o brif bolisiau cyfrifyddol y Grŵp, sydd wedi'u weithredu'n gyson.

Y SAIL GYFRIFYDDOL

Mae'r datganiadau hyn wedi'u paratoi o dan y confensiwn cost hanesyddol.



BASIS OF CONSOLIDATION

The Group financial statements comprise a consolidation of the financial statements of Welsh Water PLC and all its subsidiary undertakings and include the Group's share of the profits or losses and retained earnings of associated undertakings. The financial statements of each company in the Group are prepared to 31 March. Uniform accounting policies are adopted by all companies in the Group.

ACCOUNTING FOR ACQUISITIONS

The results of companies and businesses acquired during the year are dealt with in the consolidated financial statements from the date of acquisition where appropriate, adjustments are made to bring different accounting policies of newly acquired companies into line with those of the Group.

Goodwill arising from the purchase of subsidiary undertakings and investments in associated undertakings, representing the excess of the fair value of the purchase consideration over the fair value of net assets acquired, is written off on acquisition against consolidated reserves.

SAIL Y CYDGYFNERTHU

Mae datganiadau ariannol y Grŵp yn cynnwys cydgyfnerthiad o ddatganiadau ariannol Welsh Water PLC a'i holl isgwmnïau ac yn cynnwys rhan y Grŵp o'r elw neu'r colledion ac oillion yr ymgymeriadau cysylltiedig a gedwir yn ôl. Paratowyd datganiadau ariannol pob cwmni yn y Grŵp hyd at 31 Mawrth. Mabwysiadwyd yr un polisiau cyfrifyddol gan yr holl gwmnïau yn y Grŵp.

RHOI CYFRIF AM GAFFAELIADAU

Fe ymdrinir â chanlyniadau cwmnïau a busnesau a gaffaelwyd yn ystod y flwyddyn yn y datganiadau ariannol cydgyfnerthiedig o ddyddiad y gaffaeliad. Lle bo'r rheiny'n briodol, fe wnaed addasiadau er mwyn peri fod gwahanol bolisiau cyfrifyddol y cwmnïau sydd newydd eu gaffael yn cydynffurfio â pholisiau'r Grŵp.

Dilewyd yr euryllys da oedd yn deillio o bryni isgwmnïau a buddsoddiadau mewn ymgymeriadau cysylltiedig yn cynrychioli'r gormodedd rhwyng gwerth teg y swm a dalwyd a gwerth teg yr asedau net a gaffaelwyd, adeg y gaffaeliad yn erbyn cronfeydd wrth gefn cydgyfnerthiedig.



TURNOVER

Turnover represents the income receivable in the ordinary course of business for services provided and excludes, where appropriate, Value Added Tax.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are included at cost and are amortised over their estimated useful economic lives. Where fishing rights effectively have an infinite life they are not amortised.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets comprise :-

- (i) Infrastructure assets (being mains and sewers, impounding and pumped raw water storage reservoirs, dams, sludge pipe lines and sea outfalls); and
- (ii) Other assets (including properties, overground plant and equipment and fixtures and fittings).

Infrastructure Assets

Infrastructure assets comprise a network of systems. Expenditure on infrastructure assets relating to increases in capacity or enhancements of the network is treated as additions which are included at cost after deducting grants and contributions.

TROSIANT

Y trosiant yw'r incwm y gellir ei dderbyn trwy fusnes cyffwrddin ar gyfer y gwasanaethau a roddwyd ac nid yw'n cynnwys Treth ar Werth lle bo honno'n briodol.

ASEDAU SEFYDLOG ANGHYFFWRDDADWY

Cynhwysir asedau sefydlog anghyffwrddadwy yn ôl eu cost ar fe'u hamorciiddiwyd dros amcangyfrifiad o'u hoes economaidd ddefnyddiol. Nid amorciiddiwyd yr hauliau pysgota hynny sydd ag oes ddiddersyn.

ASEDAU SEFYDLOG CYFFWRDDADWY A DIBRISIANIANT

Mae'r asedau sefydlog cyffwrddadwy'n cynnwys :-

- (i) Asedau'r rhwydwaith meynol (pibau mawr a charthffosydd, cronfeydd powndio a chedw dwr erai wedi'i bumio, argaeau, pibellau laid ac allfeydd i'r môr); a
- (ii) Asedau eraill (gan gynnwys anheddan, gweithfeydd uw hddaeacol a chyfarpar a gosodynnau a ffitiadau).

Asedau Rhwydwaith

Mae asedau rhwydwaith meynol yn cynnwys rhwydwaith o systemau. Fe drinir gwariant ar asedau rhwydwaith meynol sy'n ymwneud â chynnydd yng ngallu'r rhwydwaith i gynhyrchu neu yn ei changiadau fel chwangyadau a gynhwysir yn ôl eu cost ar ôl tynnu grantiau a chyfraniadau.



Other Assets (continued)

valuations regularly undertaken by independent professional valuers. Major refurbishment is provided for by way of an annual renewals provision which is charged to the profit and loss account.

Where in the opinion of the directors there has been a permanent diminution in value against the original costs, the shortfall is provided for in the profit and loss account.

LEASED ASSETS

Where assets are financed by leasing arrangements which transfer substantially all the risks and rewards of ownership of an asset to the lessee (finance leases), the assets are treated as if they had been purchased and the corresponding capital cost is shown as an obligation of the lessor. Leasing payments are treated as consisting of a capital element and finance costs, the capital element reducing the obligation to the lessor and the finance charges being written off to the profit and loss account over the period of the lease in reducing amounts in relation to the written down amount. The assets are depreciated over the shorter of their estimated useful lives and the lease periods. All other leases are regarded as operating leases. Rental costs arising under operating leases are charged to the profit and loss account in the year to which they relate.

Asedau Eraill (parhad)

Darperir gwaith atgyweirio mawr trwy ddarpariaeth adnewyddu blynyddol a godir ar y cyfrif elw a cholledion.

Lle cafwyd lleihad parhaol mewn gwerth yn erbyn y costau gwreiddiol, yn marn y Cyfarwyddwyr, fe wneir darpariaeth ar gyfer y golled yn y cyfrif elw a cholledion.

ASEDAU AR BRYDLES

Lle caiff asedau eis hariannu gan drefniadau benthyca ar brydles a fydd i raddau sylweddol yn nosglwyddo'r holl risgau ac elw o fod yn berchen ar ased i'r prydleswr (prydleswr ariannol), fe drinir yr asedau fel petaen uwch wedi'u prynu ac fe ddarogodir y gost gyfalafol gyfatebol i'r rhwymedigaeth i'r prydleswr. Fe drinir taliadau prydles fel petai elfen gyfalafol a chostau ariannol yn bod, a'r elfen gyfalafol yn lleihau'r rhwymedigaeth i'r prydleswr, a'r codiannau ariannol wedi'u dileu yn erbyn y cyfrif elw a cholledion dros gyfnod y brydles mewn symiau sy'n lleihau yn ôl y symiau a scrifennir i lawr. Fe ddibrisir yr asedau dros yr amcangyfrif byrraf o'u hoeseau defnyddiol a'r cyfnodau prydles. Ystyrir fod pob prydles arall yn brydles weithredol. Gosodir costau rhentu sy'n codi o dan brydles gweithredol yng nghyfrif elw a cholledion yn y flwyddyn berthnasol.



GRANTS AND CONTRIBUTIONS

Grants and contributions in respect of specific expenditure on non-infrastructure fixed assets are treated as deferred income and recognised in the profit and loss account over the expected useful economic lives of the related assets. Grants, contributions and infrastructure charges relating to infrastructure assets, which are non-depreciating assets, have been offset against fixed assets (see note 11(c)).

INVESTMENTS

Long term investments held as fixed assets are stated at cost less amounts written off or provided to reflect permanent diminutions in value. Those held as current assets are stated at the lower of cost and net realisable value.

STOCKS AND WORK IN PROGRESS

Stocks are stated at the lower of cost and net realisable value which takes account of any provision necessary to recognise damage and obsolescence. Work in progress is valued at the lower of cost and net realisable value. Cost includes labour, materials, transport and directly attributable overheads.

GRANTIAU A CHYFRANIADAU

Fe drinir grantiau a chyfraniadau ynghylch gwariant penodol ar asedau sefydlog ar wahân i'r rhwydwaith mewrol fel incwm a ohiriwyd ac fe'u cydnabyddir yn y cyfrif clw a cholledion dros gyfnod oes economaidd ddefnyddiol ddisgryliedig yr asedau perthynol. Mae grantiau a chyfraniadau a chodiannau rhwydwaith mewrol sy'n ymwneud ag asedau rhwydwaith mewrol, sydd yn asedau heb ddibrisiant, wedi'u gosod yn erbyn asedau sefydlog (gw. nodyn 11(c)).

BUDDSODDIADAU

Gurueir datganiad o fuddsoddiadau tymor hir a ddelir fel asedau sefydlog yn ôl eu cost ar ôl tynnu'r syniau a ddilewyd neu a ddarparwyd i adlewyrchu lleihad parhaol mewn gwerth. Gurueir datganiad ynghylch y rhai a ddelir fel asedau cyfredol yn ôl y lleiaf o'r costau a'r gwerth net y gellid ei gael.

STOCIAU A GWAITH SYDD AR Y GWEILL

Gurueir datganiad ynghylch stociau yn ôl eu cost sy'n rhoi ystyriaeth i unrhyw ddarpariaeth a fo'n angenrheidiol i gydnabod niwed ac obsolesgedd. Fe brisir gwaith sydd ar y gweill yn ôl y lleiaf o'r costau a'r gwerth net y gellir ei gael. Mae'r costau'n cynnwys llafur, defnyddiau, cludiant a gorgostau sy'n briodoladwy'n uniongyrchol.

AMOUNTS RECOVERABLE ON CONTRACTS

Amounts recoverable on contracts represent work undertaken but not yet invoiced to customers. These amounts, which are included in debtors, are stated at cost plus attributable profit to the extent that such profit is reasonably certain and after making provision for any foreseeable losses in completing contracts, less payments on account. For this purpose, cost comprises the direct costs of providing the service, together with directly attributable overheads. In accordance with the guidance contained in "Statement of Standard Accounting Practice No.9", all contracts are accounted for as long term contracts.

PENSION COSTS

Contributions are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Group. Contribution rates are based on the advice of a professionally qualified actuary. Any difference between the charge to the profit and loss account and contributions paid is shown as an asset or liability in the balance sheet.

SYMIAU Y GELLIR EI HAFFER AŴ GONTRACTAU

Mae'r symiau sy'n adferadwy ar gontractau'n cynrychioli gwaith yr ymgwymerwyd ag ef ond nad anfonwyd anfoneb yn ei gylch at y cwsmeriaid hyd yn hyn. Cwneir datganiad am y symiau hyn, a gynhwyswyd ymhlith dyledwyr, yn ôl eu cost ynghyd â'r elw sy'n briodoladwy i'r graddau fod y cyfryw elw'n rhesymol o sicr ac ar ôl gwneud darpariaeth ar gyfer unrhyw golledion rhagweldadwy wrth orffen contractau, ar ôl tynnu'r taliadau a dalwyd i'r cyfrif. I'r perwyd hwn, mae'r gost yn cynnwys y costau uniongyrchol o ddarparu'r gwasanaeth, ynghyd â'r gorbenion y gellir eu priodoli'n uniongyrchol. Yn unol â'r cyfarwyddyd a gynhwysir yn y "Datganiad o Ymarfer Cyfrifyddol Safonol Rhif 9", rhoddir cyfrif o bob contract fel petai'n contract tymor hir.

COSTAU PENSIYNAU

Gosodir cyfraniadau i gyfrif elw a cholledion er mwyn taenu cost pensiynau dros fywydau gweithiol cyflogedigion y Grŵp. Seilir graddfeydd y cyfraniadau ar gyngor actwari cynnwys â chynhwyster profesiynol. Fe gaiff unrhyw wahaniaeth rhwng y codiant i'r cyfrif elw a cholledion a'r cyfraniadau a dalwyd ei ddangos fel ased neu rwyngedigaeth yn y santolen.

FOREIGN CURRENCIES

On consolidation, balance sheets and profit and loss accounts of subsidiary undertakings are translated into Sterling at closing rates of exchange. Exchange differences resulting from the translation at closing rates of net investments in subsidiary and associated undertakings are dealt with in reserves. All other exchange gains or losses on settlement or translation at closing rates of exchange of monetary assets and liabilities are included in the determination of profit for the year.

RESEARCH AND DEVELOPMENT

Research and development expenditure is charged to the profit and loss account in the year in which it is incurred.

DEFERRED TAXATION

Deferred taxation is provided to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes to the extent that it is probable that a liability for taxation will crystallise as a result of the reversal of those timing differences.

ARIAN TRAMOR

Pan fyddir yn cydgyfnewthu, fe drosir mantolenni a chyfrifon elw a cholledion isgwmnïau i arian Sterling yn ôl y cyfraddau cyfenwid wrth gau. Fe ymdrinir â gwahaniaethau cyfenwid sy'n ganlyniad i drosi buddsoddiadau net mewn isgwmnïau ac ynggymeriadau cysylltiol yn ôl y cyfraddau wrth gau yn y croisfrydd wrth gesu. Fe gynhwysir yr holl enillion neu gollledion cyfenwid eraill adeg talu neu drosi asedau a dyledion ariannol yn ôl y cyfraddau wrth gau, wrth benm'r elw am y flwyddyn.

YMCHWIL A DATBLYGU

Gosodir y gwariant ar gyfer ymchwil a datblygu yn y cyfrif elw a cholledion yn y flwyddyn y bydd yn digwydd.

TRETHIANT WEDI'I OHIRIO

Ceir darpariaeth i ohirio trethiant er mwyn cynryd i ystyriaeth y gwahaniaethau amseru rhwng trin eitemau neilltuol at ddibenion cyfrifon a'u trin at ddibenion trethiant i'r graddau ei fod yn debygol y bydd rhwymedigaethau i dalu treth yn ymgorisialu o ganlyniad i droi'r gwahaniaethau amseru hyn o chwith.



CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1992
CYFRIF ELW A CHOLLEDION CYDGYFNERTHEDIG AR GYFER
Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992

	New Nodyn	1992 £m	1991 £m	
Turnover	2	341.9	293.0	<i>Trosiant</i>
Net operating costs	3	(224.8)	(197.8)	<i>Costau gweithredu net</i>
Operating Profit		117.1	95.2	<i>Elw Gweithredol</i>
Share of results of associated undertakings		(0.6)	(0.3)	<i>Cyfran canlyniadau is-yngymeriadau cysylltiol</i>
Investment income	5	3.5	-	<i>Incwm buddsoddiant</i>
Interest receivable		26.7	35.7	<i>Llog derbynadwy</i>
Interest payable	6	(8.5)	(2.5)	<i>Llog taladwy</i>
Profit on Ordinary Activities before Taxation	2	138.2	128.1	<i>Elw ar Weithgareddau Cyffredin cyn Trethiant</i>
Taxation	7	(10.9)	(9.6)	<i>Trethiant</i>
Profit on Ordinary Activities after Taxation		127.3	118.5	<i>Elw ar Weithgareddau Cyffredin ar ôl Trethiant</i>
Minority interests		-	(0.1)	<i>Diddordebau lleiafrifol</i>
Profit for the Year		127.3	118.4	<i>Elw am y Flwyddyn</i>
Dividends	8	(30.8)	(28.1)	<i>Buddhannau</i>
Retained Profit for the Year	25	96.5	90.3	<i>Elw a Gadwyd am y Flwyddyn</i>
Earnings per Ordinary share	9	88.4p	82.2p	<i>Enillion yn ôl y cyfranddaliad Cyffredin</i>

BALANCE SHEETS AT 31 MARCH 1992
MANTOLENNI AR 31 MAWRTH 1992

	Note Nodyn	Group Grŵp		Company Cwmni		
		1992 £m	1991 £m	1992 £m	1991 £m	
Fixed Assets						
Intangible assets	10	0.9	0.9	-	-	<i>Asedau Sedfyslog</i>
Tangible assets	11	929.1	788.6	0.2	0.2	<i>Asedau Anghyffwrddadwy</i>
Investments	12	42.1	18.3	352.2	318.0	<i>Asedau Cyffwrddadwy</i> <i>Buddsoddiadau</i>
		972.1	807.8	352.4	318.2	
Current Assets						
Stocks and w.c. in progress	13	6.8	5.9	-	-	<i>Asedau Cyfredol</i>
Debtors	14	79.3	69.3	14.4	42.9	<i>Stociau a gwaith ar y gweill</i> <i>Dyledwyr</i>
Current asset investments	15	280.3	200.7	122.0	-	<i>Buddsoddiadau asedau cyfredol</i>
Cash at bank and in hand		4.9	8.2	0.4	0.2	<i>Arian yn y banc ac mewn llaw</i>
		371.3	284.1	166.8	43.1	
Current Liabilities						
Creditors: Amounts falling due within one year	16(a)	(142.1)	(155.9)	(39.2)	(33.4)	<i>Rhwymedigaethau Cyfredol</i> <i>Credydwyr: Symiau'n ddyledus o fewn blwyddyn</i>
Net Current Assets		229.2	128.2	127.6	9.7	<i>Asedau Cyfredol Net</i>
Total Assets Less Current Liabilities		1,201.3	936.0	480.0	327.9	<i>Cyfanswm Asedau Llai</i> <i>Rhwymedigaethau Cyfredol</i>
Creditors: Amounts falling due after more than one year	16(b)	(185.1)	(20.0)	(75.0)	(1.1)	<i>Credydwyr: Symiau'n ddyledus ar ôl un flwyddyn</i>
Provisions for Liabilities and Charges	21	(55.1)	(50.6)	-	-	<i>Darpariaethau ar gyfer Rhwymedigaethau a Chodiannau</i>
Net Assets		961.1	865.4	405.0	326.8	<i>Asedau Net</i>
Capital and Reserves						
Called up share capital	22	144.2	144.1	144.2	144.1	<i>Cyfalaf a Chronfeydd Wrth Gefn</i>
Share premium account	24	131.1	131.9	131.1	131.9	<i>Cyfalaf cyfranddaliad a alwyd</i>
Reserves	25	685.6	589.1	129.7	50.8	<i>Cyfrif premiwm cyfranddaliad</i> <i>Cronfa wrth gefn</i>
Shareholders' Funds		960.9	865.1	405.0	326.8	<i>Cronfeydd Cyfranddalwyr</i>
Minority Interests		0.2	0.3	-	-	<i>Diddordebau lleiafrifol</i>
		961.1	865.4	405.0	326.8	

The financial statements on pages 50 to 82 were approved by the Board of Directors on 10 June 1992 and were signed on its behalf by:-

John E. Jones CBE, DL
Chairman

P. J. Twamley
Finance Director

Cymeradwywyd y danganiadau ariannol ar dudalenau 50 i 82 gan Fwrdd y Cyfarwyddwyr ar 10 Mehefin 1992 ac arwyddwyd ar ei ran gan:-

John E. Jones CBE, DL
Cadeirydd

P. J. Twamley
Cyfarwyddwr Cyllid



**CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 1992**
**DATGANIAD CYDGYFFNERTHEDIG YNGHYLCH LLIF ARIAN
AM Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992**

	Note <i>Nodyn</i>	1992 £m	1991 £m	
Net cash inflow from operating activities	26	137.1	121.7	<i>Mewnlfif arian net o weithgareddau gweithredol</i>
Returns on investments and servicing of finance				<i>Enillion ar fuddsoddiadau a gwasanaethu ariannu</i>
Interest received		30.4	29.0	<i>Llog a dderbyniwyd</i>
Interest paid		(7.2)	(1.9)	<i>Llog a dalwyd</i>
Interest element of finance leases		(0.2)	-	<i>Elfen o log mewn prydlesi arian</i>
Investment income received		2.6	-	<i>Incwm a dderbyniwyd o fuddsoddiadau</i>
Dividends paid		(29.0)	(25.5)	<i>Buddtrannau a dalwyd</i>
Minority interests		(0.1)	0.2	<i>Diddordebau lleiafrifol</i>
Net cash (outflow)/inflow from returns on investments and servicing of finance		(3.5)	1.8	<i>Arian net (all-lif)/mewnlfif o enillion ar fuddsoddiadau a gwasanaethu ariannu</i>
Taxation				<i>Trethiant</i>
UK corporation tax paid		(8.7)	(5.4)	<i>Treth gorfforaethol Y Deyrnas Gyfunol a dalwyd</i>
Investing activities				<i>Gweithgareddau buddsoddol</i>
Purchase of tangible fixed assets		(192.2)	(117.9)	<i>Prynu asedan sefydlog cyffwrddadwy</i>
Sale of tangible fixed assets		2.1	1.1	<i>Gwerthu asedan sefydlog cyffwrddadwy</i>
Purchase of fixed asset investments		(25.2)	(18.3)	<i>Prynu buddsoddiadau asedan sefydlog</i>
Grants and contributions received		12.3	14.0	<i>Grantiau a chyfraniadau a dderbyniwyd</i>
Purchase of subsidiary		-	(3.0)	<i>Prynu is-gwmni</i>
Net cash outflow from investing activities		(203.0)	(124.1)	<i>All-lif arian net o weithgareddau buddsoddi</i>
Net cash outflow before financing		(78.1)	(6.0)	<i>All-lif arian net cyn ariannu</i>
Financing				<i>Ariannu</i>
New long term loans and Eurobonds		145.0	-	<i>Benthyciadau tymor hir newydd ac Ewrobondiau</i>
Long term loans repaid		(2.0)	(1.0)	<i>Benthyciadau tymor hir a ad-dalwyd</i>
New finance leases		23.7	-	<i>Prydlesi ariannu newydd</i>
Capital payments under finance leases		(0.6)	(0.3)	<i>Taliadau cyfalaf o dan brydlesocdd ariannol (Cynnydd)/Lleihad mewn cyfrifocdd adnau a buddsoddiadau marchnad arian eraill</i>
(Increase)/Decrease in deposits and other money market investments	28	(47.3)	13.9	<i>Treuliau wrth ddyrannu Ewrobondiau</i>
Expenses on issuing Eurobonds		(1.0)	-	<i>Enillion o ddyrannu cyfranddaliadau</i>
Proceeds from issue of shares		0.3	-	
Net cash inflow from financing	27	118.1	12.6	<i>Mewnlfif arian net o ariannu</i>
Increase in cash and cash equivalents	29	40.0	6.6	<i>Cynnydd mewn arian a chyfatebolion arian</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1992
NODIADAU I'R DATGANIADAU ARIANNOL AR GYFER
Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992**

1. COMPANY PROFIT AND LOSS ACCOUNT

As permitted by section 230 of the Companies Act 1985, the profit and loss account of the Company has not been included in these financial statements. The profit for the year, dealt with in the accounts of the Company was £109.7m (1991 £65.1m).

2. SEGMENTAL ANALYSIS BY CLASS OF BUSINESS

Turnover	Total Turnover <i>Cyfanswm Y Trosiant</i>	Inter Segment Turnover <i>Trosiant rhwng Segmentau</i>	External Turnover <i>Trosiant Allanol</i>
	£m	£m	£m
Year ended 31 March 1992:-			
Water and Sewerage activities	334.0	1.6	332.4
Other activities	44.7	35.2	9.5
	<u>378.7</u>	<u>36.8</u>	<u>341.9</u>
Year ended 31 March 1991:-			
Water and Sewerage activities	287.6	1.4	286.2
Other activities	28.8	22.0	6.8
	<u>316.4</u>	<u>23.4</u>	<u>293.0</u>
Profit before Taxation			
Water and Sewerage activities		139.8	128.0
Other activities after deducting business development costs and common costs		(1.6)	0.1
		<u>138.2</u>	<u>128.1</u>
Net Assets			
Water and Sewerage activities		845.7	824.3
Other activities		115.4	41.1
		<u>961.1</u>	<u>865.4</u>

Substantially all turnover and profit before taxation, by origin and destination, was attributable to the UK.

1. CYFRIF ELW A CHOLLEDION

Fel a ganiateir gan adran 230 o Ddeddf y Cwmnïau 1985, nid yw cyfrif elw a cholledion y Cwmni wedi'i gynnwys yn y datganiadau ariannol hyn. Yr elw am y flwyddyn, a drafodwyd yng nghyfrifon y Cwmni oedd £109.7m (1991 £65.1m)

2. DADANSODDIAD SEGMENTOL YN ÔL DOSBARTH BUSNES

Trosiant

*Am y flwyddyn yn diweddau ar 31 Mawrth 1992:-
Gweithgareddau Diwr a Charthffosiaeth
Gweithgareddau eraill*

*Am y flwyddyn yn diweddau ar 31 Mawrth 1991:-
Gweithgareddau Diwr a Charthffosiaeth
Gweithgareddau eraill*

*Elw cyn Trethiant
Gweithgareddau Diwr a Charthffosiaeth
Gweithgareddau eraill ar ôl tynnu costau datblygu busnes a chostau cyffredin*

*Asedau Net
Gweithgareddau Diwr a Charthffosiaeth
Gweithgareddau eraill*

Roedd yr holl drosiant ac elw cyn trethiant fwy neu lai, o ran man cychwyn a chyrraeddifan, i'w briodoli i'r Deyrnas Gyfunol.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1992
NODIADAU I'R DATGANIADAU ARIANNOL AR GYFER
Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992**

3. NET OPERATING COSTS

	Note Nodyn	1992 £m	1991 £m
Change in stocks and work in progress		(1.0)	(1.2)
Infrastructure renewals expenditure	21(b)	19.8	20.9
Staff costs		66.9	57.1
Depreciation:-			
Own assets		27.7	21.6
Assets held under finance leases		1.5	1.4
Amounts written off fixed asset investments		0.8	-
Loss on disposal of subsidiary		0.2	-
Research and development		0.8	1.2
Rentals under operating leases:-			
Hire of plant and equipment		5.6	2.0
Land and buildings		0.7	-
Other		1.2	0.8
Fees paid to auditor:-			
Audit services		0.2	0.2
Taxation services		0.2	0.2
Consultancy services		0.7	0.6
Other operating charges		101.7	94.7
Exchange differences		-	(0.1)
Amortisation of grants and contributions	21(c)	(0.6)	(0.3)
Other operating income:-			
Profits on sale of tangible fixed assets		(1.4)	(1.1)
Net rents receivable		(0.2)	(0.2)
		<u>224.8</u>	<u>197.8</u>

4. DIRECTORS AND EMPLOYEES

(a) Directors' Remuneration

Executive directors' remuneration represents salary plus a bonus based on the profitability of the Group. The basis of remuneration is set by a Remuneration Committee, comprising the non-executive directors of the Company, after taking independent specialist advice.

The combined emoluments of the directors of Welsh Water PLC for their services as directors of the Company and its subsidiaries are set out below:-

3. COSTAU GWEITHREDU NET

Newid neu'n stociau a gwaith ar y gweill
Gwariant adnewyddu rhwydwaith mewmol
Costau staff
Dibrisiant:-
 Asedau'r Cwmni
 Asedau a ddeler o dan brylles ariannol
Symiau a ddileir oddi ar fuddsoddiad asedau sefydlog
Colled ar waredu is-gwmni
Ymchwil a datblygu
Rhenti o dan brylles gweithredur:-
 Hirio gweithfeydd a chysarpar
 Tir ar adeilad
 Erail
Ffioedd a dalwyd i'r archwiliwr:-
 Gwasanaeth archwilio
 Gwasanaethan trethiant
 Gwasanaethau ymgynghori
Codiannau gweithredol eraill
Gwahaniaethau cyfnewid
Amortioiddio grantiau a chyfraniadau
Incwm gweithredol arall:-
 Elw ar werthu asedau
 Cyffwrddadwy sefydlog
 Rhenti net derbyniadwy

**4. Y CYFARWYDDWYR A'R
CYFLOGEDIGION**

(a) Cydnabyddiaeth y Cyfarwyddwyr

Mae'r taliadau i'r cyfarwyddwyr gweithredol yn cynrychioli cyflog ynghyd â bonus a seilir ar fuddioldeb y Grŵp. Sefyllir sail y cydnabyddiaeth gan Bwyllgor Taliadau, yn cynnwys cyfarwyddwyr anweithredol y Cwmni, ar ôl cynrydlyd cynnar arbenigol.

Rhoddir cyfanswm y taliadau i gyfarwyddwyr Welsh Water PLC am eu gwasanaeth fel cyfarwyddwyr y Cwmni a'i isgwmniau i'w nod:-



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1992
NODIADAU I'R DATGANIADAU ARIANNOL AR GYFER
Y FLWYDDYN YN DIWEDDU AR 31 MAWRTH 1992**

**4. DIRECTORS AND
EMPLOYEES (continued)**

(a) Directors' Remuneration (continued)

	1992	1991
	£000	£000
Fees	48	40
Contributions to pension schemes	43	43
Other emoluments	375	357
Compensation for loss of office	176	-
Pension to former director	4	-
Less amount received for services as a director of another Public Company	(30)	-
	616	440

Included in the above are amounts
(excluding pension contributions)
paid to :-

	1992	1991
	£000	£000
The Chairman and highest paid director - emoluments	141	143
- less amount received for services as a director of another Public Company	(30)	-
	111	143

The Chairman has assigned to the
Company his right to the £30,000
referred to above.

The combined fees and
emoluments (excluding pension
contributions and compensation
for loss of office) were in the
following ranges:-

	1992	1991
	Number	Number
	Nifer	Nifer
£5,001 - £10,000	-	4
£10,001 - £15,000	3	-
£20,001 - £25,000	1	-
£30,001 - £35,000	1	-
£85,001 - £90,000	1	-
£90,001 - £95,000	-	1
£95,001 - £100,000	1	-
£115,001 - £120,000	-	1
£140,001 - £145,000	1	1

**4. Y CYFARWYDDWYR A'R
CYFLOGEDIGION (parhad)**

(a) Cydnabyddiaeth y Cyfarwyddwyr (parhad)

*Ffioedd
Cyfraniadau i gynlluniau pensiwn
Taliadau eraill
Iawndal am gollu swydd
Pensiwn i gyn-gyfarwyddwr
Llai'r swm a dderbyniwyd am
wasanaeth fel cyfarwyddwr
i Gwmni Cyhoeddus arall*

*Yn yr uchod cynhwyswyd y symiau
(heb gyfrif cyfraniadau pensiwn) a
delwyd i'r :-*

*Cadeirydd a'r cyfarwyddwr uchaf ei dâl
- taliadau
- llai'r swm a dderbyniwyd am
wasanaeth fel cyfarwyddwr i
Gwmni Cyhoeddus arall*

*Mae'r Cyfarwyddwr wedi trosglwyddo
i'r Cwmni ei hawl i'r £30,000 a
grybwyllir uchod.*

*Roedd cyfansymiau y taliadau (heb
gynnwys cyfraniadau pensiwn a
iawndal am gollu swydd) o fewn yr
ystodau dilynol:-*

£5,001	-	£10,000
£10,001	-	£15,000
£20,001	-	£25,000
£30,001	-	£35,000
£85,001	-	£90,000
£90,001	-	£95,000
£95,001	-	£100,000
£115,001	-	£120,000
£140,001	-	£145,000

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**4. DIRECTORS AND
EMPLOYEES (continued)**

(b) Staff Costs

	1992	1991
	£m	£m
Wages and salaries	75.6	60.0
Social security costs	5.9	5.0
Pension costs	6.9	5.8
	88.4	70.8

Of the above, £21.5m (1991 £13.7m) has been charged to capital.

**(c) Average Weekly Number of
Employees during the year**

	1992	1991
	Number	Number
	<i>Nifer</i>	<i>Nifer</i>
Water and sewerage services	3547	3455
Other activities	1149	678
	4696	4133

5. INVESTMENT INCOME

Investment income of £3.5m (1991 - Nil) represents dividends received from South Wales Electricity plc together with the related tax credit.

6. INTEREST PAYABLE

	1992	1991
	£m	£m
On bank loans, overdrafts and other loans		
- repayable within five years, not by instalments	4.2	0.7
- repayable wholly or partly in more than five years	4.2	1.7
	8.4	2.4
On finance leases	0.1	0.1
	8.5	2.5

**4. Y CYFARWYDDIWRAR
CYFLOGEDIGION (parhad)**

(b) Costau Staff

*Taliadau a chysflogon
Costau naudd cymdeithasol
Costau pensïon*

*O'r uchod codwyd £21.5m (1991
£13.7m) yn erbyn cyfalaf.*

**(c) Cyfarialedd Wythnosol Nifer y
Cyflogedigion yn ystod y flwyddyn**

*Gwasanaethau diwr a charthffosiaeth
Gweithgareddau eraill*

5. INCWN BUDDSODDIANT

Mae incwm buddsoddiant o £3.5m (1991 - Dim) yn cynrychieli buddrannau a dderbyniwyd oddi wrth South Wales Electricity plc ynghyd â'r credyd treth incwm perthynol.

6. LLOG TALADWY

*Ar fenthyciadau banc, gorddraffi a benthyciadau eraill
- yn ad-daladwy o fewn pum mlynedd, nid mewn rhanda'adau
- yn ad-daladwy'n llwyr neu'n rhannol dros fwy na phum mlynedd*

Ar bryllesi ariannol

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7. TAXATION

	1992 £m	1991 £m
Based on the results for the year:- UK Corporation Tax at 33% (1991 - 34%)	10.1	-
Tax attributable to dividends received	0.9	-
Overseas taxation	(0.1)	0.2
Advance Corporation Tax written off	-	9.4
	10.9	9.6

The tax charge has been reduced by £37m (1991 - £41m) in respect of excess tax allowances over depreciation and other timing differences on which, in accordance with the Group's accounting policy, no deferred tax has been provided.

The Group's tax charge for the year has also been reduced by £0.7m (1991 - Nil) due to tax losses brought forward from previous years. The tax charge for the year and previous years are still subject to negotiation with the Inland Revenue.

The cumulative amount of Advance Corporation Tax written off of £14.8m (1991 - Nil) remains available to reduce any future liabilities to UK Corporation Tax. No taxation losses are carried forward against future trading profits (1991 - £2.0m).

8. DIVIDENDS

	1992 £m	1991 £m
Interim paid of 7.13p per Ordinary share (1991 6.5p)	10.3	9.4
Final proposed of 14.27p per Ordinary share (1991 13.0p)	20.5	18.7
	30.8	28.1

9. EARNINGS PER ORDINARY SHARE

	1992	1991
Earnings per Ordinary share	88.4p	82.2p

Earnings per Ordinary share has been calculated on the basis of profit after taxation and minority interests of £127.3m (1991 £118.4m) and by reference to 144,084,127 (1991 144,078,163) Ordinary shares, being the weighted average number of Ordinary shares in issue during the year. Earnings per Ordinary share on a nil distribution basis is the same in 1992 (1991 88.7p).

7. TRETHLANT

*Yn seiliedig ar y canlyniadau am y flwyddyn:-
Treth Gorrforaethol y Deyrnas Gyfunol ar 33% (1991 - 34%)
Treth sydd i'w phriodoli i fuddrannau a dderbyniwyd
Trethiant tramor
Blaendreth Gorrforaethol a ddilewyd*

Mae'r codiant treth wedi'i leihau i'w hysbysu o £37m (1991 - £41m) oherwydd y gornoddedd rhwng y hysbysau treth a dderbyniwyd a'r gwahaniaethau amseru craill lle na ddarparwyd treth ohiriedig, yn unol â pholisi cyfrifysyddol y Grŵp.

Mae codiant treth y Grŵp am y flwyddyn wedi'i leihau o £0.7m (1991 - Dim) oherwydd colledion treth a ddygwyd ymlaen o flynyddoedd blaenorol. Mae codiant treth am y flwyddyn a'r flynyddoedd blaenorol yn dal yn dibynnu ar drafodaethau gyda'r Cyllid Gwladol.

Mae sum cynyddol y Blaendreth Gorrforaethol a ddilewyd o £14.8m (1991 - Dim) yn dal ar gael i leihau morthyw atebolrwydd yn y dyfodol i dalu Treth Gorrforaethol y Deyrnas Gyfunol. Ni ddygwyd colledion trethiant ymlaen yn erbyn elw masnachu'r dyfodol (1991 - £2.0m)

8. BUDDRANNAU

*Taliad dros dro o 7.13p y cyfranddaliad Cyffredin (1991 6.5c)
Taliad terfynol a argymhellir o 14.27c y cyfranddaliad Cyffredin (1991 13.0c)*

9. ENILLION AM BOB CYFRANDDALIAD CYFFREDIN

Enillion am bob cyfranddaliad Cyffredin

*Cyfrifwyd enillion y cyfranddaliad Cyffredin ar sail yr elw ar ôl trethiant a ddi-donlebas lleiafrifol o £127.3m (1991 £118.4m) a thwy gysirio at 144,084,127 (1991 144,078,163) o gyfranddaliadau Cyffredin, sef, nifer cyfanlog swysol y cyfranddaliadau Cyffredin a ddosbarthwyd yn ystod y flwyddyn.
Mae enillion y cyfranddaliad Cyffredin ar sail dim drosrwyd yr un peth ag yn 1992 (1991 88.7c).*

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10. INTANGIBLE FIXED ASSETS

Group	
Fishing Rights	
Cost and Net Book Value	£m
At 1 April 1991 and at	
31 March 1992	0.9

**10. ASEDAU SEFYDLOG
ANGHYFFWRDDADIWY**

Grŵp
Hauliau Pysgota
Cost a Gwerth Llyfr Net
Fel ar 1 Ebrill 1991 ac ar
31 Mawrth 1992

11. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings	Infra- Structure Assets	Vehicles, Plant and Equipment	Operational Structures	Total
	<i>Tir Rhydd- ddaliad ac Adolladau</i>	<i>Rhinysphwail a Meuwl</i>	<i>Cerbydau, Gweithfeydd a Chyfarpar Gweithredol</i>	<i>Strwythurau Gweithredol</i>	<i>Cyfanswm</i>
	£m	£m	£m	£m	£m
Cost					
At 1 April 1991	27.9	339.8	163.9	440.0	971.6
Reclassification	16.0	(8.1)	(17.7)	9.8	-
	43.9	331.7	146.2	449.8	971.6
Additions	9.0	57.1	19.5	94.8	180.4
Grants & Contributions	-	(10.0)	-	-	(10.0)
Disposals	-	-	(2.8)	-	(2.8)
At 31 March 1992	52.9	378.8	162.9	544.6	1,139.2
Accumulated Depreciation					
At 1 April 1991	3.9	-	50.1	129.0	183.0
Reclassification	5.3	-	4.0	(9.3)	-
	9.2	-	54.1	119.7	183.0
Charge for the year	0.9	-	16.1	12.2	29.2
Disposals	-	-	(2.1)	-	(2.1)
At 31 March 1992	10.1	-	68.1	131.9	210.1
Net Book Value					
At 31 March 1992	42.8	378.8	94.8	412.7	929.1
At 31 March 1991	24.0	339.8	113.6	311.0	788.6
Utilisation at 31 March 1992					
Owned	42.8	378.8	92.1	389.0	902.7
Held under finance leases	-	-	2.7	23.7	26.4
	42.8	378.8	94.8	412.7	929.1

11. ASEDAU SEFYDLOG CYFFWRDDADIWY

Grŵp
Cost
Ar 1 Ebrill 1991
Ailddosbarthiad
Chwanegysedau
Grantiau a chyfraniadau
Gwarediadau
Ar 31 Mawrth 1992
Dibrisant a gromwyd
Ar 1 Ebrill 1991
Ailddosbarthiad
Codiant am flwyddyn
Gwarediadau
Ar 31 Mawrth 1992
Gwerth Llyfr Net
Ar 31 Mawrth 1992
Ar 31 Mawrth 1991
Defnyddiad ar 31 Mawrth 1992
Perchnogir
Ar brydles ariannol

(a) Tangible fixed assets at 31 March 1992 include £129.2m (1991 £137.6m) of assets in the course of construction, which are not depreciated until commissioning.

(a) Mae'r asedau sefydlog cyffwrddadiwy ar 31 Mawrth 1992 yn cynnwys £129.2m (1991 £137.6m) o asedau sydd ar y gweill na fyddir yn eu dibrisio hyd nes eu comisiynu.

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11. TANGIBLE FIXED ASSETS (continued)

- (b) Re-classification has arisen as a result of the Group's continuing refinement of its historical fixed asset information.
- (c) The treatment of accounting for grants, contributions and infrastructure charges in respect of infrastructure assets is described in the Principal Accounting Policies on page 55. This treatment has been adopted in accordance with section 226(5) of the Companies Act 1985 in order to show a true and fair view as in the opinion of the directors, it is not appropriate to treat grants, contributions and infrastructure charges on infrastructure assets as deferred income. The fixed assets to which they relate are not depreciated and accordingly no basis exists on which to recognise such contributions as deferred income. The contributions relate directly to investment in infrastructure assets and therefore are deducted directly from their purchase or production cost. As a consequence the net book value for fixed assets is £69.9m lower (1991 £59.9m) than it would have been had this treatment not been adopted.

Company	
Vehicles, Plant and Equipment	
Cost	£m
At 1 April 1991	0.2
Additions	0.1
At 31 March 1992	0.3
Accumulated Depreciation	
At 1 April 1991	-
Charge for the year	0.1
At 31 March 1992	0.1
Net Book Value	
At 31 March 1992	0.2
At 31 March 1991	0.2

**11. ASEDAU SEFYDLOG CYFFWRDDADIFY
(pashad)**

- (b) Mae ailddosbarthu wedi digwyda o ganlyniad i firciniad parhaus y Cŵmp o'i uybodach asedau sefydlog hanesyddol.
- (c) Disgrifir y driniaeth o wneud cyfrifon ynghylch grantiau a chyfraniadau a chodiadau rhwydwaith mewmol yn y Prif Bolisiau Cyfrifyddol ar dudalen 55. Mae'r driniaeth hon wedi'i mabwysiadu yn unol ag adran 226(5) o Ddeddf y Cwmnïau 1985 er mwyn dangos darlun gwir a theg, gan nad yn briodol, yn niarn y Cyfarwyddwyr, i ddiin grantiau, cyfraniadau a chodiannau rhwydwaith mewmol ar asedau'r rhwydwaith mewmol fel incwm a ohirwyd. Ni ddibriswyd yr asedau sefydlog perthynol ac felly nid oes sail yn bod ar gyfer ystyried y cyfrif gyfraniadau fel incwm a ohirwyd. Mae'r cyfraniadau'n ymwneud yn uniongyrchol â buddsoddiann mewn asedau rhwydwaith mewmol a chan hynny se'u tynnu yn syth o gost eu prynu neu eu cynhyrchu. O ganlyniad, mae'r gwerth llyfr net ar gyfer asedau sefydlog yn llai o £69.9m (1991 £59.9m) nag y byddai wedi bod petai'r driniaeth hon heb gael ei mabwysiadu.

Cwmni
Cerbydau, Peirianwaith a Chyfarpar
Cost
Ar 1 Ebrill 1991
Chwangeddau
Ar 31 Mawrth 1992
Dibrisant a Gronnwyd
Ar 1 Ebrill 1991
Codiann am y flwyddyn
Ar 31 Mawrth 1992
Gwerth Llyfr Net
Ar 31 Mawrth 1992
Ar 31 Mawrth 1991

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12. FIXED ASSET INVESTMENTS

**12. BUDDSODDLADAU MEWN ASEDAU
SEFYDDEOG**

Group

Grŵp

	Interests in Associated Undertakings	Listed Investments	Unlisted Investments	Total
	<i>Diddordebau mewn Yngym- eriadau Cysylltiol</i>	<i>Buddsodd- iadau a Restrwyd</i>	<i>Buddsodd- iadau na Restrwyd</i>	
	£m	£m	£m	£m
Cost				
At 1 April 1991	0.4	17.2	1.1	18.7
Additions	1.2	24.0	-	25.2
Share of results	(0.6)	-	-	(0.6)
At 31 March 1992	1.0	41.2	1.1	43.3
Amounts Written Off				
At 1 April 1991	0.4	-	-	0.4
Charge for the year	0.2	-	0.6	0.8
At 31 March 1992	0.6	-	0.6	1.2
Net Book Value				
At 31 March 1992	0.4	41.2	0.5	42.1
At 31 March 1991	-	17.2	1.1	18.3

Cost

*Ar 1 Ebrill 1991
Chwanegiadau
Cyfran o ganlyniadau*

Ar 31 Mawrth 1992

Symiau a Ddilewyd

*Ar 1 Ebrill 1991
Codiant am y Flwyddyn*

Ar 31 Mawrth 1992

Gwerth Llyfr Net

Ar 31 Mawrth 1992

Ar 31 Mawrth 1991

Company

Cwmni

	Interests in Group Undertakings	Listed Investments	Unlisted Investments	Total
	<i>Diddordebau mewn Yngym- eriadau Cysylltiol</i>	<i>Buddsodd- iadau a Restrwyd</i>	<i>Buddsodd- iadau na Restrwyd</i>	
	£m	£m	£m	£m
Cost				
At 1 April 1991	300.4	17.2	0.9	318.5
Additions	10.9	24.0	-	34.9
At 31 March 1992	311.3	41.2	0.9	353.4
Amounts Written Off				
At 1 April 1991	0.5	-	-	0.5
Charge for the year	0.1	-	0.6	0.7
At 31 March 1992	0.6	-	0.6	1.2
Net Book Value				
At 31 March 1992	310.7	41.2	0.3	352.2
At 31 March 1991	299.9	17.2	0.9	318.0

Cost

*Ar 1 Ebrill 1991
Chwanegiadau*

Ar 31 Mawrth 1992

Symiau a Ddilewyd

*Ar 1 Ebrill 1991
Codiant am y Flwyddyn*

Ar 31 Mawrth 1992

Gwerth Llyfr Net

Ar 31 Mawrth 1992

Ar 31 Mawrth 1991



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12. FIXED ASSET INVESTMENTS

(continued)

The market value of listed investments at 31 March 1992, all of which are dealt with on a recognised Stock Exchange, is £42.9m. This primarily represents 14.9% of the ordinary share capital of South Wales Electricity plc. These shares are partly paid. The outstanding amount of £10.6m is due on 15 September 1992. This amount has not been accrued in these financial statements or included within Capital Commitments, Note 19.

Principal Group undertakings are shown below:-

Subsidiary Principal Activity	Shareholding Cyfran a ddelir	Dangosir yngymeriadau'r Prif Grŵp isod:- Isgwmni Prif Weithgaredd
Dŵr Cymru Cyfyngedig Water and sewerage services	100%	Dŵr Cymru Cyfyngedig Gwasanaethau dŵr a charthffosiaeth
Wallace Evans Limited Engineering and environmental consultancy	100%	Wallace Evans Limited Ymgynghoraeth beirannyddol ac amgylcheddol
Welsh Water Enterprises Limited Waste management and other activities	100%	Welsh Water Enterprises Limited Rheoli gwastraff a gweithgareddau eraill
Hamdden Limited Hotels and leisure	100%	Hamdden Limited Gwestyau a hamdden
Brecon Insurance Company Limited Insurance	100%	Brecon Insurance Company Limited Yswiriant
Welsh Water International Limited Water and sewerage services in overseas markets	100%	Welsh Water International Limited Gwasanaethau dŵr a charthffosiaeth mewn marchnadoedd tramor.
Beacon Pipeline Services Limited Pipelaying and related contracting business	100%	Beacon Pipeline Services Limited Gosod pibau a busnes contractio perthynol
Daniel Pipelines Limited Construction and laying of overland transmission pipelines	100%	Daniel Pipelines Limited Llunio a gosod pibau troglwyddo dros dir
Watertec Environmental Systems Limited Development and marketing of water and environmental related technology	100%	Watertec Environmental Systems Limited Datblygu a marchnata technoleg dŵr a thechnoleg perthynol i'r amgylchedd
Union de Ingenieros y Economistas Consultores S.A. "Unico" Engineering and environmental consultancy	51%	Union de Ingenieros y Economistas Consultores S.A. "Unico" Ymgynghoraeth beirannyddol ac amgylcheddol
Associate		Yngymeriad Cysylltiol
Cambrian Environmental Services PLC Waste management	50%	Cambrian Environmental Services PLC Rheoli gwastraff.

**12. BUDDSODDLADAU MEWN
ASEDAU SEFYDLOG (parhad)**

Gwerth y buddsoddiadau a restrwyd ar 31 Mawrth 1992 ar y fardmael, a'r rheiny i gyd yn ael eu trin ar Gyfnewidfa Stoc gydnabyddedig, yw £42.9m. Mae hwn yn cynrychioli'n bennaf 14.9% o gyfalaf cyfranddaliadau cyffredin South Wales Electricity plc a'r rheiny wedi'u talu'n rhannol. Mae'r swm o £10.6m sy'n ddyledus yn ddisgwyledig ar 15 Medi 1992. Nid yw'r swm hwn wedi'i gronni yn y datganiadau ariannol hyn na'i gynnwys o fewn Ymrwymadau Cyfalaf, Nodyn 19.

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12. FIXED ASSET INVESTMENTS
(continued)

(a) Investments in Group undertakings are in Ordinary shares of £1 each, except for Unieco which are Ordinary shares of Ptas 1000. The investment in Cambrian Environmental Services PLC is in the 'B' Ordinary shares of £1 each which represents 50% of the voting rights.

(b) Brecon Insurance Company Limited is incorporated and registered in Guernsey, Channel Islands. Unieco is incorporated and registered in Spain. All other companies are incorporated in Great Britain and registered in England and Wales. The principal country of operation of all companies correspond to their country of incorporation.

(c) The shareholdings in Beacon Pipeline Services Limited, Daniel Pipelines Limited, Watertec Environmental Systems Limited, Cambrian Environmental Services PLC and Unieco are held through intermediate holding companies.

(d) On 6 September 1991 the Group disposed of its interest in CTFC Limited and on 14 April 1992 the Group disposed of its interest in Cambrian Environmental Services PLC. The financial effect of these disposals has been incorporated into the results for the year to 31 March 1992.

(e) On 27 February 1992 Daniel Pipeline's Limited was formed and on 3 March 1992 it acquired the assets of a pipelaying business.

(f) Welsh Water International Limited, Beacon Pipeline Services Limited and Watertec Environmental Systems Limited commenced trading on 1 April 1992.

13. STOCKS AND WORK IN PROGRESS

Group	1992	1991
	£m	£m
Finished goods	-	0.4
Consumable stores	5.0	4.1
Work in progress	1.8	1.4
	<u>6.8</u>	<u>5.9</u>

12. BUDDSODDLADAU MEWN ASEDAU SEFYDLOG (parhad)

(a) Mae'r buddsoddiadau yn ymgymeriadau'r Grŵp mewn cyfranddaliadau Cyffredin o £1 yr un, ac eithrio am ddaliadau yn Unieco, sy'n gyfranddaliadau Cyffredin o 1000 ptas. Mae'r buddsoddiad yn Cambrian Environmental Services PLC yn y cyfranddaliadau Cyffredin 'B' o £1 yr un sy'n cynrychioli 50% o'r hawliau pleidleisio.

(b) Yngorfforwyd a chofrestrwyd Brecon Insurance Company Limited yn Guernsey. Yngorfforwyd a chofrestrwyd Unieco yn Sbaen. Mae'r holl gumnïau eraill wedi'u hymgorffori yng ngwledydd Prydain ac wedi'u cofrestru yn Lloegr a Chymru. Gwlad eu hymgorfforiad yw prif wlad weithredol yr holl gumnïau.

(c) Delir y cyfranddaliadau yn Beacon Pipelines Services Limited, Daniel Pipelines Limited, Watertec Environmental Systems Limited, Cambrian Environmental Services PLC ac Unieco drwy gyfrang cwmnïau cymal cyfyngol.

(d) Ar 6 Medi 1992 fe waredodd y Grŵp ei ddiddordeb yn CTFC Limited ac ar 14 Ebrill 1992 fe waredodd y Grŵp ei ddiddordeb yn Cambrian Environmental Services PLC. Mae effaith ariannol y gwarediadau hyn wedi'i chorffori yng nghantyniadau'r flwyddyn hyd at 31 Mawrth 1992.

(e) Ar 27 Chwefror 1992 sefydlwyd Daniel Pipelines Limited ac ar 3 Mawrth 1992 caffaelwyd asedau busnes gosod pibau.

(f) Dechreuodd Welsh Water International Limited, Beacon Pipeline Services Limited a Watertec Environmental Systems Limited fasnachu ar 1 Ebrill 1992.

13. STOCIAU A GWAITH AR Y GWEILL

Grŵp
Nwyddau gorffenedig
Nwyddau treuladwy
Gwaith ar y gweill

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14. DEBTORS

	Group/Grŵp		Company/Cwmni	
	1992 £m	1991 £m	1992 £m	1991 £m
Amounts falling due within one year:-				
Trade debtors	43.8	33.2	-	-
Amounts recoverable on contracts	0.9	1.0	-	-
Amounts due from subsidiary undertakings	-	-	40.3	42.7
Amounts due from associated undertakings	-	0.3	-	-
Other debtors	10.0	10.7	0.3	0.1
Prepayments and accrued income	22.6	23.4	1.9	0.1
Recoverable Advance Corporation Tax	1.9	-	1.9	-
	79.2	68.6	44.4	42.9
Amounts falling due after more than one year:-				
Other debtors	0.1	0.2	-	-
Amounts due from associated undertakings	-	0.5	-	-
	0.1	0.7	-	-
	79.3	69.3	44.4	42.9

The comparative figures for trade debtors, other debtors and prepayments and accrued income have been restated to correspond to the treatment adopted in 1992.

15. CURRENT ASSET INVESTMENTS

	Group/Grŵp		Company/Cwmni	
	1992 £m	1991 £m	1992 £m	1991 £m
Fixed term and call deposits	243.5	188.2	107.7	-
Other money market investments	36.8	12.5	14.3	-
	280.3	200.7	122.0	-

Of the above amounts £63.5m (1991 - £42.5m) mature after more than one year, and £32.5m (1991 - £0.2m) is regarded as cash equivalents in the cashflow statement.

The market value of investments is not significantly different from cost.

14. DYLEDIWR

*Symiau'n daladwy o fewn blwyddyn:-
Dyledwyr masnachol
Symiau sy'n adferadwy ar gcontractau
Symiau sydd i'w talu gan is-yngymeriadau
Symiau sydd i'w talu gan yngymeriadau cysylltiol
Dyledwyr eraill
Rhagdaliadau ac incwm a gromwyd
Blaendreth Gorfforaethol Adferadwy*

*Symiau'n daladwy ar ôl blwyddyn:-
Dyledwyr eraill
Symiau sydd i'w talu gan yngymeriadau cysylltiol*

Mae'r ffigurau cynharol ar gyfer dyledwyr masnachol a dyledwyr eraill a rhagdaliadau ac incwm a gromwyd wedi'u hailddatgan er mwyn cyfateb i'r driniaeth a fabwysiadwyd yn 1992.

**15. BUDDSODDIADAU MEWN
ASEDAU CYFREDOL**

*Adnewau tymor sefydlog a galwadwy
Buddsoddiadau marchnad arian eraill*

O blith y symiau uchod mae £63.5m (1991 - £42.5m) yn aeddfedu ar ôl mwy na blwyddyn, a £32.5m (1991 - £0.2m) yn cael ei ystyried yn gyfatebol i arian yn y datganiad am lif arian.

Nid oes gwahaniaeth arwyddocaol rhwng gwerth y buddsoddiadau ar y farchnad a'r gost.



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16. CREDITORS

	Note Nodyn	Group/Grŵp		Company/Cwmni	
		1992 £m	1991 £m	1992 £m	1991 £m
(a) Amounts falling due within one year:-					
Bank loans and overdrafts		11.6	22.6	-	-
Other loans	17(b)	4.5	4.0	3.6	3.0
Obligations under finance leases	18	0.5	0.5	-	-
Trade creditors		56.7	68.9	-	-
Amounts due to subsidiary undertakings		-	-	3.2	0.4
Dividend proposed		20.5	18.7	20.5	18.7
Corporation Tax		12.6	9.4	10.0	9.4
Other taxation and social security payable		3.3	3.1	0.1	-
Other creditors		29.3	25.8	-	-
Accruals and deferred income		3.1	2.9	1.8	1.9
		<u>142.1</u>	<u>155.9</u>	<u>39.2</u>	<u>33.4</u>
(b) Amounts falling due after more than one year:-					
10.75% Eurobonds 2002	17(a)	75.0	-	75.0	-
Other loans	17(b)	82.5	15.0	-	1.1
Obligations under finance leases	18	24.2	0.8	-	-
Other creditors:-					
Between one and five years		3.4	3.3	-	-
After more than five years		-	0.9	-	-
		<u>185.1</u>	<u>20.0</u>	<u>75.0</u>	<u>1.1</u>

16. CREDYDIWR

(a) Symiau'n daladwy o fewn blwyddyn:-
Benthyciadau banc a gorddrafffiau
Benthyciadau eraill
Rhwymediogaeth o dan bryllesi ariannol
Credydwy'r masnachol
Symiau'n ddyledus i is-ymgymeriadau

(b) Symiau'n daladwy ar ôl mwy na blwyddyn:-
Eurobondiau 2002 10.75%
Benthyciadau eraill
Rhwymediogaethau o dan bryllesi ariannol
Credydwy'r eraill:-
 Rhwyng un a phum mlynedd
 Ar ôl mwy na phum mlynedd

17. LOANS

(a) Eurobonds

On 7 November 1991 the Company issued Eurobonds with a total nominal value of £75m. The Eurobonds carry interest at 10.75% and are wholly repayable in March 2002.

The net consideration for the issue was £73,983,786. The difference of £1,016,214, between net proceeds and the nominal bond value, represents discount and issue expenses. This sum has been set against the share premium account.

The proceeds have been used to finance various group initiatives, including the investment in South Wales Electricity plc.

17. BENTHYCIADAU

(a) Eurobondiau

Ar 7 Tachwedd 1991 fe ddyrannodd y Cwmni Eurobondiau gyda gwerth enwol cyflawn o £75m. Mae'r Eurobondiau'n dduyn llog o 10.75% ac yn ad-daladwy'n llawn ym Mawrth 2002.

Y pris net am y dyrannid oedd £73,983,786. Mae'r gwahaniaeth o £1,016,214 rhwng yr enillion net a gwerth enwol y bond yn cynrychioli'r disgownt a'r treuliau dyrannu. Mae'r sum hwn wedi'i osod yng nghyfrif premium cyfranddaliadau.

Mae'r enillion wedi'u defnyddio i ariannu amryw gychwyniadau grŵp, gan gynnwys y buddsoddiad yn South Wales Electricity plc.



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17. LOANS (continued)

(b) Other loans

	Group/Grŵp		Company/Cwmni	
	1992 £m	1991 £m	1992 £m	1991 £m
Repayable wholly within five years	3.6	4.1	3.6	4.1
Repayable by instalments within five years	10.1	4.7	-	-
Repayable by instalments after five years	73.3	10.2	-	-
	<u>87.0</u>	<u>19.0</u>	<u>3.6</u>	<u>4.1</u>
Due for repayment as follows:-				
Within one year	4.5	4.0	3.6	3.0
Between one and two years	0.9	2.1	-	1.1
Between two and five years	8.3	2.7	-	-
After more than five years	73.3	10.2	-	-
	<u>87.0</u>	<u>19.0</u>	<u>3.6</u>	<u>4.1</u>

Interest rates on these loans range between 9.5% and 12.5%.

17. BENTHYCIADAU (parhad)

(b) Benthyciadau eraill

I'w ad-dalu'n llwyr o fewn pum mlynedd

I'w ad-dalu mewn rhandaliadau o fewn pum mlynedd

I'w ad-dalu mewn rhandaliadau ar ôl pum mlynedd

I'w ad-dalu fel a ganlyn:-

O fewn blwyddyn

Rhwng un a dwy flynedd

Rhwng dwy a phum mlynedd

Ar ôl mwy na phum mlynedd

Mae'r cyfraddau llog ar y benthyciadau hyn yn amrywio rhwng 9.5% a 12.5%

18. FINANCE LEASES

Group

Amounts due under finance leases are payable as follows:-

	1992 £m	1991 £m
Within one year	0.5	0.5
Between one and two years	0.3	0.6
Between two and five years	0.2	0.2
After five years	23.7	-
	<u>24.7</u>	<u>1.3</u>

Company

The Company had no finance lease obligations at 31 March 1992 or at 31 March 1991.

18. PRYDLESI ARIANNOL

Grŵp

Mae'r symiau sy'n ddyledus o dan brydlesi ariannol fel a ganlyn:-

O fewn blwyddyn

Rhwng un a dwy flynedd

Rhwng dwy a phum mlynedd

Ar ôl pum mlynedd

Cwmni

Nid oedd ymrwymadau prydlesi ariannol gan y Cwmni ar 31 Mawrth 1992 nac ar 31 Mawrth 1991.

19. CAPITAL COMMITMENTS

Group

Contracted for but not provided in the financial statements

Authorised but not yet contracted for

	1992 £m	1991 £m
Contracted for but not provided in the financial statements	106.2	52.2
Authorised but not yet contracted for	4.7	24.9

19. YMRWYMLADAU CYFALAF

Grŵp

Contractiwyd ond heb ddarpariaeth yn y datganiadau ariannol

Awdurdodwyd ond heb eu contractio

- 8 OCT 1992

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19. CAPITAL COMMITMENTS (continued)

Apart from these commitments, in order to meet regulatory and service standards the Group has longer term capital expenditure obligations totalling approximately £1.8 billion at current prices over the next ten years which include investments to meet shortfalls in performance and condition and to provide for new demands and growth.

Company

The Company had no capital commitments at 31 March 1992 or at 31 March 1991.

20. LEASING COMMITMENTS

Group

	Land and Buildings		Other	
	Tir ac Adeiladau		Eraill	
	1992	1991	1992	1991
	£m	£m	£m	£m
At 31 March 1992 there were revenue commitments, in the ordinary course of business in the next year to the payment of rentals on non cancellable operating leases expiring:-				
Between two and five years	-	-	1.8	0.6
After five years	0.9	0.6	-	-
	<u>0.9</u>	<u>0.6</u>	<u>1.8</u>	<u>0.6</u>

Company

The Company had no operating lease commitments at 31 March 1992 or at 31 March 1991.

21. PROVISIONS FOR LIABILITIES AND CHARGES

Group	Note	1992	1991
	Nodyn	£m	£m
Deferred Taxation	(a)	-	-
Infrastructure Maintenance Provision	(b)	15.5	13.9
Deferred Income	(c)	35.9	34.2
Group Insurance Fund	(d/eh)	3.6	2.5
Other Provisions		0.1	-
		<u>55.1</u>	<u>50.6</u>

19. YMRWYMIADAU CYFALAF (parhad)

Ar wahân i'r ymrwymïadau hyn, er mwyn curdd â safonau rheolyddol a gwasanaethyddol mae gan y Grŵp ymrwymïadau i wario cyfalaf dros y tynor hir sy'n gwneud cyfanswm o gumpas £1.8 biliun ar brisoedd cyfredol dros y deng mlynedd nesaf sy'n cynnwys buddsoddiadau i gwrdd â diffygion mewm perfformïam a chyflwr ac i ddarparu ar gyfer galwadau a thysiant newydd.

Cwmni

Nid oedd ymrwymïadau i wario cyfalaf gan y Cwmni ar 31 Mawrth 1992 nac ar 31 Mawrth 1991.

20. YMRWYMIADAU PRYDLESU

Grŵp

	Land and Buildings		Other	
	Tir ac Adeiladau		Eraill	
	1992	1991	1992	1991
	£m	£m	£m	£m
At 31 Mawrth 1992 roedd ymrwymïadau cyllidol, yng nglwrs cyffredin busnes yn y flwyddyn ddilynol i dalu rhenti ar brydlesi gweithredol amiddymadwy yn terfynu:-				
Between two and five years	-	-	1.8	0.6
After five years	0.9	0.6	-	-
	<u>0.9</u>	<u>0.6</u>	<u>1.8</u>	<u>0.6</u>

Company

Nid oedd ymrwymïadau i wario cyfalaf gan y Cwmni ar 31 Mawrth 1992 nac ar 31 Mawrth 1991.

**21. DARPARIAETHAU AR GYFER
RHWYMEDIGAETHAU A CHODIANNAU**

Group	1992	1991
	£m	£m
Trethiant a Ohiriwyd	-	-
Darpariaeth i Gynnal Rlwydwaith Mewnol	15.5	13.9
Incwm a Ohiriwyd	35.9	34.2
Cronfa Yswiriant y Grŵp	3.6	2.5
Darpariaethau Eraill	0.1	-
	<u>55.1</u>	<u>50.6</u>

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**21. PROVISIONS FOR LIABILITIES
AND CHARGES (continued)**

Company

The Company had no provisions for liabilities and charges at 31 March 1992 or at 31 March 1991.

(a) Deferred Taxation

No provision is required for deferred taxation in accordance with the policy described in the Principal Accounting Policies on page 57. The full potential liability to deferred taxation comprises:-

Group	1992	1991
	£m	£m
Accelerated capital allowances	92.9	51.5
Other timing differences	(5.5)	(1.5)
	87.4	50.0
Less: Losses	-	(0.7)
Advance Corporation Tax	(16.7)	(14.8)
	70.7	34.5

Company

The Company had no potential liability to deferred taxation.

(b) Infrastructure Maintenance Provision

Group	1992	1991
	£m	£m
At 1 April 1991	13.9	10.5
Charge for the year	19.8	20.9
Expenditure in the year	(18.2)	(17.5)
	15.5	13.9
At 31 March 1992	15.5	13.9

As part of their obligations to the Director General of Water Services the directors have determined a programme of expenditure for the maintenance and enhancement of the infrastructure asset system. This programme is set out in an Asset Management Plan effective from 1 April 1989. The above provision represents the difference between the annual anticipated expenditure requirement in the Asset Management Plan for infrastructure maintenance and that actually incurred.

**21. DARPARLAETHAU AR GYFER
RHWYMEDIGAETHAU A CHODIANNAU
(parhad)**

Cwmni

Nid oedd ymrwymiadau ar gyfer rhwymedigaethau a chodiannau gan y Cwmni ar 31 Mawrth 1992 nac ar 31 Mawrth 1991.

(a) Trethiant a Ohiriwyd

Nid oes angen darpariaeth ar gyfer trethiant a ohiriwyd yn unol â'r polisi a ddisgrifwyd yn y Prif Bolisiau Cyfrifysyddol ar dudalen 57. Mae'r rhwymedigaeth ddichonol lawn ar gyfer trethiant a ohiriwyd yn cynnwys:-

Grŵp

Lufiansau cyfalaf wedi'u cyflymu
Gwahaniaethau amseru eraill

Llai: Colledion
Blaendreth Gorfforaethol

Cwmni

Nid oedd gan y Cwmni rhwymedigaeth ddichonol ar gyfer trethiant a ohiriwyd.

**(b) Darpariaeth ar Gyfer Cynnal y Rhuwydwaith
Mewnol**

Grŵp

Ar 1 Ebrill 1991

Codiant am y flwyddyn

Gwariant yn ystod y flwyddyn

Ar 31 Mawrth 1992

Fel rhan o'n rhwymedigaeth i Gyfarwyddwr Cyffredinol y Cwasanaethau Dŵr mae'r cyfarwyddwyr wedi pennu rhaglen wariant ar gyfer cynnal ac changu cyfundrefn asedau'r rhuwydwaith mewnol. Gosodir y rhaglen hon mewn Cyllun Rheoli Asedau a fu'n gweithredu oddi ar 1 Ebrill 1989. Mae'r ddarpariaeth uchod yn dynodi'r gwahaniaeth rhwng gofynion y gwariant blynyddol a ragddisgrifwyd yn y cyllun rheoli asedau ar gyfer cynnal y rhuwydwaith mewnol a'r hyn a ddiquryddodd mewn gwirionedd.

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**21. PROVISIONS FOR LIABILITIES
AND CHARGES (continued)**

**(c) Deferred Income
Group**

	1992	1991
	£m	£m
At 1 April 1991	34.2	28.8
Receivable during the year	2.3	5.7
Released to profit and loss account	(0.6)	(0.3)
Ar 31 March 1992	35.9	34.2

Deferred income represents grants and contributions received in respect of investment in fixed assets. Grants are amortised to the profit and loss account over the estimated useful economic life of the related assets.

(d) Group Insurance Fund

	1992	1991
	£m	£m
At 1 April 1991	2.5	-
Premiums	2.2	2.4
Claims	(2.8)	(0.2)
Investment income	0.3	0.3
Provision charged against profit	1.4	-
At 31 March 1992	3.6	2.5

Cover against certain environmental risks and employer and public liability risks is provided by Brecon Insurance Company Limited, a wholly owned subsidiary undertaking of the Group.

22. CALLED UP SHARE CAPITAL

	1992	1991
	£m	£m
Authorised:- 200,000,000 Ordinary shares of £1 each 1 Special Rights Redeemable Preference Share of £1	200.0	200.0
	200.0	200.0
Allotted, called up and fully paid:- 144,194,176 Ordinary shares of £1 each (1991 144,079,961) 1 Special Rights Redeemable Preference Share of £1	144.2	144.1
	144.2	144.1

**21. DARPARIAETHAU AR GYFER
RHWYMEDIGAETHAU A CHODIANNAU
(parhad)**

**(c) Incwm a Ohiriwyd
Grŵp**

Ar 1 Ebrill 1991
Derbynadwy yn ystod y flwyddyn
Rhyddhawyd i gyfrif elw a cholledion

Ar 31 Mawrth 1992

Mae incwm a ohiriwyd yn dynodi grantiau a chyfraniadau a dderbyniwyd ar gyfer buddsoddi mewn asedau sefydlog. Rhyddheir grantiau i'r cyfrif elw a cholledion drws yr oes economaidd ddefnyddiol a amcangyfrifwyd ar gyfer yr asedau perthynol.

(ch) Cronfa Yswiriant y Grŵp

Ar 1 Ebrill 1991
Premiynau
Ceisiadau
Incwm buddsoddiant
Darpariaeth a osodir yn erbyn elw

Ar 31 Mawrth 1992

Rhoddir yswiriant yn erbyn peryglon amgylcheddol neilltuol a risg cyflogwr a rhwymedigaethau cyhoeddus gan Brecon Insurance Company Limited, isgwmni a berchnogir yn llwyr gan y Grŵp.

22. CYFALAF CYFRAN DDALIAD A ALWYD

Awdurdodwyd:-
200,000,000 o gyfranddaliadau Cyffredin o £1 yr un
1 Blaengyfranddaliad Atbryn
Hawliau Arbennig o £1

Dosranwyd a thalwyd yn llawn
144,194,176 o gyfranddaliadau
Cyffredin am £1 yr un (1991 144,079,961)
1 Blaengyfranddaliad Atbryn
Hawliau Arbennig o £1



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22. CALLED UP SHARE CAPITAL (continued)

The Special Rights Redeemable Preference share ("Special share") is redeemable at par at the option of the Secretary of State for Wales at any time prior to 31 December 1994, and unless so redeemed, will be redeemed by the Company on that date. This Special share does not carry any rights to vote at general meetings but entitles the Secretary of State for Wales, or another person acting on behalf of HM Government, to attend and speak at such meetings. The written consent of the holder of the Special share is required under certain circumstances, in particular the alteration of specific sections of the Articles of Association of the Company. The Special share confers no right to participate in the capital or profits of the Company, except that on a winding-up the Special shareholder is entitled to repayment of £1 in priority to other shareholders. The movement in the issued ordinary shares resulted from the exercise of share options under the Company's employee share schemes at prices between 176p and 284p per share.

23. EMPLOYEE SHARE SCHEMES

The Company has established one share ownership scheme and two share option schemes for its employees and those of participating subsidiary undertakings.

Under the share ownership scheme 525,400 (1991 735,042) Ordinary shares of the Company were held in trust at 31 March 1992 on behalf of employees who were beneficially entitled to the shares under special arrangements made at the time of the Offer for Sale of the share capital of the Company dated 22 November 1989. On 12 December 1991 under the scheme rules 201,918 shares were transferred to the beneficial owners.

The Employee Sharesave Scheme is savings related and under normal circumstances the share options are exercisable within six months of completion of a five or seven year Save As You Earn contract. The Executive Share Option Scheme is for senior employees and the options are normally exercisable between the 3rd and 10th anniversary of the date of grant.

Options granted but not yet exercised under these schemes at 31 March 1992 together with their exercise prices and dates are shown below:-

22. CYFALAF CYFRANDDALIAD A ALWYD (parhad)

Bydd y Blaengyfranddaliad Aibryu Hawlian Arbennig yn atbrynadwy am ei banverth yn ôl dymuniad yr Ysgrifennydd Gwladol dros Gymru ar unhyw adeg cyn 31 Rhagfyr 1994, ac os na chaiff ei atbrynu yn y modd hon, fe'i habrynuir gan y Cwmni ar y dyddiad honnau. Nid yw'r gyfranddaliad arbennig hon yn meddu ar unhyw hawlian pleidleisio mewn cyfarfodydd cyffredinol ond mae'n rhoi'r hawl i'r Ysgrifennydd Gwladol dros Gymru, neu berson arall a fo'n gweithredu ar ran Llywodraeth EM, fynychu a siarad yn y cyfryw gyfarfodydd. Mae caniatâd ysgrifenedig daluwr y gyfranddaliad arbennig yn ofynnol o dan amgylchiadau arbennig, yn enwedig ar gyfer newid rhannau penodol o erthyglau cyweithio'r cwmni. Nid yw'r gyfranddaliad arbennig yn rhoi hawl i gyfranogi o gyfalaf neu chw'r cwmni, ac eithrio ar adeg diddymu pryd y mae gan ddaliad y gyfranddaliad arbennig yr hawl i gael ad-daliad o £1 o flaen cyfranddaliad eraill. Deilliodd y symudiad yn y gyfranddaliadau cyffredin a ddrynnwyd o'r defnydd a wnaed o opsiynau yng nghylch gyfranddaliadau o dan gynllun rhannu gyfranddaliadau'r Cwmni ar brisoedd rhwng 176c a 284c y gyfranddaliad.

23. CYNLLUNIAU RHANNU CYFRANDDALIADAU A'R CYFLOGEDIGION

Mae'r cwmni wedi sefyllu un cynllun perchnogi gyfranddaliadau a dau gynllun opsiwn ar gyfer ei gyflogedigion a chyflogedigion ei isyngyneriadau cyfrannol.

O dan y cynllun perchnogi gyfranddaliadau fe ddalid 525,400 (1991 735,042) o gyfrandiadau Cyffredin y Cwmni mewn ymddiriedolaeth ar 31 Mawrth 1992 ar ran y cyflogedigion oedl â hawl buddiamol ar y gyfranddaliadau o dan defniadau neuilluol a wnaed ar adeg cynig cyfalaf gyfranddaliadau'r Cwmni ar werth ar 22 Tachwedd 1989. Ar 12 Rhagfyr 1991 o dan reolau'r cynllun, troglwyddwyd 201,918 o gyfranddaliadau i'r perchnogion buddiamol.

Mae Cynllun 'Sharesave' y Cyflogedigion yn gysylltiedig â chynilo ac mewn amgylchiadau normal fe ellir defnyddio'r opsiynau gyfranddaliadau o fewn chwe mis ar ôl cwblhau contract Cynilo wrth Einmill am bwn neu saith mlynedd. Ar gyfer y cyflogedigion uchaf y mae Cynllun Opsiwn Gyfranddaliadau'r Rheolwyr ac fe ellir defnyddio'r opsiynau fel asfer rhwng trydydd a degfed penblwydd dyddiad y grant.

Dangosir yr opsiynau a gynnigwyd ond sydd heb eu defnyddio o dan y cynlluniau hyn ar 31 Mawrth 1992 yng nghylch a'u prisoedd gweithredu a'r dyddiadau isod:-

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23. EMPLOYEE SHARE SCHEMES
(continued)

	Date Option Granted <i>Dyddiad Cynnig yr Opsiwn</i>	Normal Date of Exercise <i>Dyddiad Aferol Cweithredu Dilaliad</i>
Employee Sharesave Scheme	Dec/Rhag 1989	Jan/Ion 1995
	Dec/Rhag 1989	Jan/Ion 1997
	Jul/Gorff 1991	Jan/Ion 1997
	Jul/Gorff 1991	Jan/Ion 1999

	Option Price per Share <i>Pris Opsiwn y Cyfranddaliad</i>
Employee Sharesave Scheme	176p
	176p
	284p
	284p

**23. CYNLLUNIAU RHANNU
CYFRANDDALIADAU A'R
CYFLOGEDIGION (parhau)**

	Option Price per Share <i>Pris Opsiwn y Cyfranddaliad</i>	Number of Ordinary Shares <i>Nifer Cyfranddaliadau Cyffredin</i>		
		1992	1991	
Employee Sharesave Scheme	176p	948,336	1,045,846	Cynllun
	176p	714,242	733,088	'Sharesave'
	284p	591,109	-	Cyflogedigion
	284p	364,160	-	
Executive Share Option Scheme	281p	975,194	1,082,413	Cynllun
	288p	11,951	11,951	Opsiwn
	350p	230,914	230,914	Cyfranddaliadau'r
	340p	493,456	-	Rheolwyr
	382p	20,942	-	
	359p	1,561	-	
		4,351,865	3,104,212	

24. SHARE PREMIUM ACCOUNT

	Group Grŵp £m	Company Cwmni £m
At 1 April 1991	131.9	131.9
Premium on shares issued in the year	0.2	0.2
Eurobond issue costs written off	(1.0)	(1.0)
At 31 March 1992	131.1	131.1

24. CYFRIF PREMIWM CYFRANDDALIADAU

	Group Grŵp £m	Company Cwmni £m
At 1 Ebrill 1991	131.9	131.9
Premiwm ar gyfranddaliadau a ddyrannwyd yn ystod y flwyddyn	0.2	0.2
Costau dyrannu Ewrobond a ddilewyd	(1.0)	(1.0)
Ar 31 Mawrth 1992	131.1	131.1

25. RESERVES

Profit and Loss Account

	Group Grŵp £m	Company Cwmni £m
At 1 April 1991	589.1	50.8
Profit retained for the year	96.5	78.9
At 31 March 1992	685.6	129.7

25. CRONFA WRTH GEFN

Cyfrif Etw a Chollodion

	Group Grŵp £m	Company Cwmni £m
At 1 Ebrill 1991	589.1	50.8
Etw a gadwyd nôl am y flwyddyn	96.5	78.9
Ar 31 Mawrth 1992	685.6	129.7

The cumulative goodwill written off directly to reserves is £7.0m.

Yr ewylllys da a grommwyd ac a ddilewyd yn uniongyrchol yn erbyn y cronfa wrth gefn yw £7.0m.

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**26. NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	1992	1991
	£m	£m
Operating profit	117.1	95.2
Depreciation of tangible fixed assets	29.2	23.0
Amounts written off fixed asset investments	0.8	-
Infrastructure maintenance accruals	1.6	3.4
Amortisation of grants and contributions	(0.6)	(0.3)
Exchange differences	-	(0.1)
Profit on sale of tangible fixed assets	(1.4)	(1.0)
Net increase in stocks	(0.9)	(0.5)
Net increase in debtors	(10.2)	(3.8)
Net increase in creditors	0.4	3.3
Contribution from insurance fund	1.1	2.5
Net cash inflow from operating activities	137.1	121.7

**26. MEWNLIF ARIAN NET O
WEITHGAREDDAU GWEITHREDOL**

<i>Elw gweithredol</i>
<i>Dibinsant asedau sefydlog cyffwrddadwy</i>
<i>Syniau a ddilewyd o fuddsoddiadau asedau sefydlog</i>
<i>Crowadau cynnal rhwydwaith mewnol</i>
<i>Rhyddiau grantiau a chyfraniadau</i>
<i>Cwahaniantau i yswirid</i>
<i>Elw o werthu asedau sefydlog cyffwrddadwy</i>
<i>Cynydd net mewn stociau</i>
<i>Cynydd net mewn dyledwyr</i>
<i>Cynydd net mewn credydwyr</i>
<i>Cyfraniad o'r gronfa yswiriant</i>
<i>Mewnlfarian net o weithgareddau gweithredol</i>

**27. ANALYSIS OF CHANGES IN
FINANCING IN THE YEAR**

**27. DADANSODDIAD O'R NEWIDLADAU
MEWN ARIANNU YN YSTOD Y
FLWYDDYN**

	Share Capital (including premium)		Long Term Loans & Finance Lease Obligations		
	1992	1991	1992	1991	
	£m	£m	£m	£m	
At 1 April	276.0	276.0	20.3	16.7	<i>Ar 1 Ebrill</i>
New capital leases	-	-	24.0	0.8	<i>Prydlesi cyfalaf newydd</i>
Loan notes	-	-	-	4.1	<i>Nodau benthyciad</i>
Long term loans	-	-	145.0	-	<i>Benthyciadau tymor hir</i>
Loan repayments	-	-	(2.0)	(1.0)	<i>Ad-dalu benthyciadau</i>
Finance lease repayments	-	-	(0.6)	(0.3)	<i>Ad-dalu prydlesi ariannol</i>
Proceeds from issue of shares	0.3	-	-	-	<i>Enillion wrth ddyrannu cyfranddaliadau</i>
Expenses on issuing Eurobonds	(1.0)	-	-	-	<i>Treuliau wrth ddyrannu Ewrobondiau</i>
At 31 March	275.3	276.0	186.7	20.3	<i>Ar 31 Mawrth</i>

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**28. ANALYSIS OF CHANGES
IN DEPOSITS AND
INVESTMENTS IN THE YEAR**

	At 31 March 1992 Ar 31 Mawrth 1992 £m	At 1 April 1991 Ar 1 Ebrill 1991 £m	Change in year Newid mewn blwyddyn £m
Fixed term and call deposits and other money market investments	247.8	200.5	47.3

Current asset investments which are not treated as cash and cash equivalents are available to finance future capital investment and therefore are treated as a financing activity, rather than an investing activity, in the cashflow statement.

**29. ANALYSIS OF CHANGES
IN CASH AND CASH
EQUIVALENTS IN THE YEAR**

	At 31 March 1992 Ar 31 Mawrth 1992 £m	At 1 April 1991 Ar 1 Ebrill 1991 £m	Change in year Newid mewn blwyddyn £m
Cash at bank and in hand	4.9	8.2	(3.3)
Short term deposits and investments	32.5	0.2	32.3
Bank overdrafts	(11.6)	(22.6)	11.0
	<u>25.8</u>	<u>(14.2)</u>	<u>40.0</u>

**28. DADANSODDI NEWIDIADAU MEWN
ADNEUUAU A BUDDSODDIADAU YN
YSTOD Y FLWYDDYN**

Adnennau tymor sefydlog ac ar alw a buddsoddiadau eraill yn y forchnad arian

Nae buddsoddiadau ased rhyfrol nad ydynt yn cael eu trin fel arian nac yn gyfartal ag arian ar gael i ariannu'r buddsoddi cyfatebol yn y dyfodol, ac felly fe'n trinir fel gweithgaredd ariannu, yn hytrach na gweithgaredd buddsoddi, yn y datganiad llyf arian.

**29. DADANSODDI NEWIDIADAU MEWN
ARIAN A CHYFATEBOLION ARIANNOL
YN YSTOD Y FLWYDDYN**

*Arian yn y banc ac mewn llaw
Adnennau a buddsoddiadau tymor byr
Gonddrafftiau banc*



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**30. DIRECTORS' AND OFFICERS' LOANS
AND TRANSACTIONS**

I R Evans is a partner in The LEK Partnership, to which organisation fees and reimbursements of expenses of £686,041 (1991 £422,269) were paid during the year for consultancy services rendered in the ordinary course of business, and on normal commercial terms.

No loans or credit transactions were outstanding with any directors, officers or connected persons at the end of the year or subsisted during the year.

31. PENSION SCHEMES

The Company operates as principal employer two funded, defined benefit schemes, the Water Mirror Image Pension Scheme (WMIS) and the Water Pension Scheme (WPS), for the benefit of all eligible employees of the Welsh Water Group. The assets of the schemes are held separately from the assets of the Group and are administered by independent trustees.

The employer's contributions and the pension cost have been assessed in accordance with the advice of William M. Mercer Fraser Limited using the projected unit method for the WPS and the attained age method for the WMIS. For this purpose the main actuarial assumptions used are based upon investment growth of 9% per annum and pay growth of 7% per annum. Pensions in payment and deferred pensions under the WMIS have been assumed to increase by 6% per annum. This assumption has been chosen to reflect the increases which are guaranteed to be in line with the Retail Prices Index (RPI). For the WPS, the corresponding assumption used is 5.25% per annum. This reflects increases which are guaranteed at 5% per annum (or the increase in the RPI if less) with the intention to pay more up to the level of the RPI if the resources of the scheme so permit.

The Group pension cost for the period was £6.9m (1991 £5.8m).

The first actuarial valuation of the two schemes was carried out as at 31 March 1990. The total market value of the assets at the valuation date was £25.1m. Using the assumptions adopted for Statement of Standard Accounting Practice No.24 "Accounting for Pension Costs", the combined actuarial value of the assets represented 109% of the value of the accrued benefits after allowing for expected future earnings increases.

**30. BENTHYCIADAU A THRAFODIADAU'R
CYFARIWYDDIWR A'R SWYDDOGION**

Mae I R Evans yn bartner yn The LEK Partnership, a dderbyniodd ffioedd trefnu ac ad-daliadau treulian o £686,041 (1991 £422,269) yn ystod y flwyddyn; am eu gwasanaeth ymgynghorol a roddwyd yng nghwmrs cyffredin busnes, ac ar dermau masnachol normal.

Nid oedd benthyciadau na thrafodiadau crechyd heb eu talu ynghylch unrhyw gyfarwyddwr, swyddog na phersonau cysylltiedig ar ddiwedd y flwyddyn naq yn bodoli yn ystod y flwyddyn.

31. CYNLLUNIAU PENSIWN

Yn rhinwedd ei swydd fel prif gyflogwr mae'r Cwmni'n gweithredu dau gynllun budd-dali gyda chronfeydd ac wedi'u diffinio, y 'Water Mirror Image Pension Scheme' (WMIS) a'r 'Water Pension Scheme' (WPS), er budd holl gyflogedigion cynwys grŵp Welsh Water. Delir asedau'r cynlluniau ar wahân i asedau'r Grŵp ac fe'u gweinyddir gan ymddiriedolwyr annibynnol.

Asseswyd cyfraniadau'r cyflogwr a chost y pensiwn yn unio, i chynghor William M. Mercer Fraser Limited gan ddefnyddio dull uned blaenestynedig ar gyfer y WPS a dull oedran a gyrrhaeddwyd ar gyfer WMIS. I'r perthyn hwn seilir y prif ragdybiaethau actuariol a ddefnyddiwyd ar ddyfiant buddsoddiannau o 9% y flwyddyn a thyfiant cyflogau o 7% y flwyddyn. Tybiwyd y bydd pensiynau yr ydys yn eu talu a phensiynau a ohiriwyd o dan y WMIS yn cynyddu o 6% y flwyddyn. Dewiswyd y rhagdybiaeth hon er mwyn ad-herychu'r cynnydd y gwarantwyd ei fod yn cyd-fynd a Mynegai Prisoesedd Mamwysu (RPI). Ynghylch y WPS, y rhagdybiaeth gyfatebol a ddefnyddiwyd yw 5.25% y flwyddyn. Mae hyn yn adlewyrchu'r cynnydd a warantir ar 5% y flwyddyn (neu'r cynnydd yn y RPI os yw'n llai) gyda'r buriad o dalu mwy hyd at lefel y RPI os bydd alnodau'r cylluan yn caniatáu hynny.

Cost y pensiynau ar gyfer y cyfnod oedd £6.9m (1991 £5.8m)

Gwnaed y prisiau actuariol cynaf o'r ddau gynllun fel petai ar 31 Mawrth 1990. Cyfanswm gwerth yr asedau ar y farchnad ar ddiwedd y prisio oedd £25.1m. Gan ddefnyddio'r rhag dybiaethau a fabwysiadwyd ar gyfer y Datganiad o Ymarfer Cysfifeddol Safonol Rhif 24 "Accounting for Pension Costs", roedd gwerth actuariol cyffwrdd yr asedau'n cynrychioli 109% o werth y budd-daliadau a gromwyd ar ôl i'w parhau ar gyfer cynnydd disgwyliedig enillion y dyfodol.



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32. CONTINGENT LIABILITY

The Company has provided guarantees in respect of loan and finance lease facilities granted to its subsidiary Dŵr Cymru Cyfyngedig up to a maximum of £185m (1991 Nil). At 31 March 1992 the amounts drawn by Dŵr Cymru Cyfyngedig against these facilities were £93.7m (1991 Nil).

33. ELAN AQUEDUCT

In 1984 Welsh Water Authority entered into a conditional sale and purchase agreement with Severn Trent Water Authority for the sale of the aqueduct and associated works by which the bulk supply to Severn Trent is conveyed.

The sum of £31.7m, representing the consideration for the conditional sale, has been invested in a Trust Fund. The principal function of the Fund was to provide an income to Welsh Water Authority, whilst preserving the capital value of the Fund in real terms. Welsh Water Authority's interest in this Fund was vested in Dŵr Cymru Cyfyngedig under the provisions of the Water Act 1989. The assets of the Fund are not included in these financial statements.

32. RHWYMEDIGAETH AMODOL

Mae'r Cwmni wedi darparu gwarantau ynghyd â chyswterau beuthyg a phrydles arian a roddwyd i'r isgwmni Dŵr Cymru Cyfyngedig hyd at uchafswm o £185m (1991 Nil). Ar 31 Mawrth 1992 y sum a dynwyd gan Dŵr Cymru Cyfyngedig yn erbyn y cyswterau yma oedd £93.7m (1991 Nil).

33. PONT DDŴR ELAN

Yn 1984 cymerodd Awdurdod Dŵr Cymru ran mewn cynnedeu gwerthu a phrysu amodol gydag Awdurdod Dŵr Severn Trent er mwyn gwerthu'r bont ddŵr a'r gwaith cysylltiedig trwy'r llyn y trosglwyddir y chan fwyaf o'r cyswterau i Severn Trent.

Mae'r sum o £31.7m, yn cynrychioli'r tâl am yr awerthiant amodol, wedi ei fuddsoddi mewn Gronfa Ymddiried. Prif swyddogaeth y Gronfa oedd darparu incwm i Awdurdod Dŵr Cymru, tra'n cadw gwerth cyfalaf y Gronfa mewn gwir derman. Buddsodduyd buddiantion Awdurdod Dŵr Cymru yn y Gronfa yma yn Dŵr Cymru Cyfyngedig o dan ddirpariaeth Deddf Dŵr 1989. Nid yw asedau'r Gronfa wedi eu cynnwys yn y datganiadau ariannol yma.



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**FIVE YEAR SUMMARY
CRYNODEB PUM MLYNEDD**

	Year ended 31 March Y Flwyddyn yn diweddau ar 31 Mawrth					
	1988 £m	1989 £m	1990 £m	1991 £m	1992 £m	
Turnover	202.8	219.6	255.3	293.0	341.9	<i>Trosiant</i>
Operating Profit	69.0	75.1	63.6	95.2	117.1	<i>Elw Gweithredol</i>
Share of results of associates	-	-	-	(0.3)	(0.6)	<i>Cyfran o ganlyniadau ymgymeriadau cysylltiol</i>
Investment income	-	-	-	-	3.5	<i>Incwm buddsoddiant</i>
Net interest receivable/(payable)	(52.6)	(50.2)	(24.1)	33.2	18.2	<i>Llog net derbynadwy/(taladwy)</i>
Profit on Ordinary Activities before Taxation	16.4	24.9	39.5	128.1	138.2	<i>Elw ar Weithgareddau Cyffredin cyn Trethiant</i>
Taxation	-	-	(5.4)	(9.6)	(10.9)	<i>Trethiant</i>
Profit on Ordinary Activities after Taxation	16.4	24.9	34.1	118.5	127.3	<i>Elw ar Weithgareddau Cyffredin ar ôl Trethiant</i>
Minority interests	-	-	-	(0.1)	-	<i>Diddordebau lleiafrifol</i>
Extraordinary item	-	(1.0)	(5.3)	-	-	<i>Eitem anghyffredin</i>
Dividends	-	-	(16.1)	(28.1)	(30.8)	<i>Buddrannau</i>
Retained Profit for the Year	16.4	23.9	12.7	90.3	96.5	<i>Elw a gadwyd am y Flwyddyn</i>
Fixed Assets	522.1	570.3	672.0	807.8	972.1	<i>Asedau Seddfylog</i>
Net Current Assets/ (Liabilities)	(76.6)	(105.7)	168.8	128.2	229.2	<i>Asedau Cyffredol (Rhwymedigaethau) Net</i>
Total Assets Less Current Liabilities	445.5	464.6	840.8	936.0	1,201.3	<i>Cyfanswm Asedau Llai Rhwymedigaethau Cyffredol</i>
Creditors: Amounts falling due after more than one year	(408.7)	(404.3)	(19.7)	(20.0)	(185.1)	<i>Credydwy'r: Symiau'n daladwy ar ôl mwy na blwyddyn</i>
Provisions for Liabilities and Charges	-	-	(39.3)	(50.6)	(55.1)	<i>Darpariaethau am rwymedigaethau a Chodiannau</i>
	36.8	60.3	781.8	865.4	961.1	
Capital and Reserves	-	-	144.1	144.1	144.2	<i>Cyfalaf a Chronfeydd Wrth Gefn</i>
Called up share capital	-	-	131.9	131.9	131.1	<i>Cyfalaf cyfranddaliadau a ahwyd</i>
Share premium account	36.8	60.3	505.8	589.1	685.6	<i>Cyfrif premium cyfranddaliadau</i>
Reserve	-	-	-	-	-	<i>Cronfa wrth gefn</i>
Shareholders' Funds	36.8	60.3	781.8	865.1	960.9	<i>Cronfeydd y Cyfranddaliwyr</i>
Minority interests	-	-	-	0.3	0.2	<i>Diddordebau lleiafrifol</i>
	36.8	60.3	781.8	865.4	961.1	



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FIVE YEAR SUMMARY (continued)

- a) Figures for 1988 and 1989 are those shown in the listing particulars published on 22 November 1989 and exclude financial information attributable to functions which have since been transferred to the National Rivers Authority and are therefore unaudited. During the years ended 31 March 1988 and 1989 Welsh Water Authority had no share capital and paid no dividends.
- b) Grants and contributions on non-infrastructure assets are credited to deferred income in compliance with the Companies Act 1989 and Statement of Standard Accounting Practice No.4 (revised) "Accounting for Government Grants". Grants and contributions and infrastructure charges relating to infrastructure assets, which are non-depreciating assets, have been offset against fixed assets and the figures for 1990 and 1991 are restated to take account of the change in accounting policy relating to non-infrastructure assets.

CRYNODEB PUM MLYNEDD (parhad)

- (a) Y ffigurau ar gyfer 1988 ac 1989 yn e'r rheiny a ddangosir yn manylion y rhestr a gyhoeddwyd ar 22 Tachwedd 1989 ac ni chynhwysir gwybodaeth ariannol sy'n ymwneud â swyddogaethau sydd wedi'u trosglwyddo oddi ar hynny i'r Awdurdod Afonydd Cenedlaethol ac mae'r rheiny o ganlyniad heb eu harchwilio. Yn ystod y blynyddoedd yn goffwrn ar 31 Mawrth 1988 ac 1989 nid oedd gan Awdurdod Diôr Cymru gyfalaf cyfranddaliad ac ni thalwyd buddrannau.
- (b) Credydgratia a chyfraniadau ar asedau ar wahân i'r rhwydwaith mewnol i incwm a ohirwyd yn unol â Deddf y Cwmnïau 1989 a'r Datganiad o Ymarfer Cyfrifyddol Safonol Rhif 4 (adolygwyd) "Accounting for Government Grants". Mae grantiau a chyfraniadau a chodiannau'r rhwydwaith mewnol sy'n ymwneud ag asedau'r rhwydwaith mewnol ac sy'n asedau dibrisant, wedi'u gosod yn erbyn asedau sefydlog ac fe wneir ailddatganiad o'r ffigurau ar gyfer 1990 a 1991 er mwyn cymryd i ystyriaeth y newid mewm polisi cyfrifyddol sy'n ymwneud ag asedau ar wahân i'r rhwydwaith mewnol.