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## Addendum to Regulatory Accounts 2012-13

### Revenue Recognition

The following disclosures, which are required by RAG 3.07 'Guideline for the format and disclosures for the regulatory accounts', were omitted from the Regulatory Accounts 2012-13 in error.

#### Variance between revenue assumed at the price determination and amount recognised in the year

Reported turnover of £730.1m for 2012-13 was £16.3m lower than the 2009 price review final determination assumption of £746.4m. Of this variance, £11.1m related to the water service and £5.2m related to the sewerage service.

The turnover variance comprises £19.8m lower tariff basket income less £3.5m higher non-tariff basket income, including large users. The tariff basket variance is due to a combination of lower household demand, due in part to a wet summer in 2012, water efficiency improvements and a decline in non-household demand within the tariff basket as a result of the difficult prevailing economic conditions in the UK.

#### Significant differences between the 2011-12 measured income accrual and amounts billed in the year

There were no significant differences between the measured income accrual at 31 March 2012 (£48.0m) and the amounts subsequently billed to customers (£48.0m).

These disclosures will be included in the Regulatory Accounts for 2013-14.