



ASSOCIATED ELECTRICITY SUPPLIES LIMITED

Registered Number 2223002

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

THURSDAY



L3GNY45D

LD5

18/09/2014

#41

COMPANIES HOUSE

CONTENTS

Page:

2	Strategic report
3	Directors' report
4	Directors' responsibility statement
5	Independent Auditor's report
6	Profit and loss account
7	Balance sheet
8	Notes to the financial statements

Directors

David Tomblin
Vakis Ramany

Company Secretary

Lisa Deverick

Auditor

Deloitte LLP
London

Registered Office

40 Grosvenor Place
Victoria
London
SW1X 7EN

STRATEGIC REPORT

Principal activities

The Company's principal activities during the year continued to be the leasing and subletting of a building. It will continue with these activities for the foreseeable future.

Business review

The loss for the year, before taxation, amounted to £27,381 (2012: £4,426) and after taxation, amounted to a loss of £17,172 (2012: £137).

The EDF Energy Holdings Limited group (the "Group") manages its operations on a group basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group which includes the Company is discussed in the Group's Annual Report, which does not form part of this Report.

Going concern

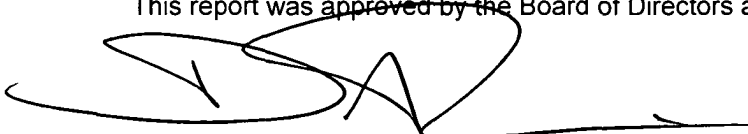
After making enquiries and reviewing cash flow forecasts for at least the next 12 months, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This judgement has been formed taking into account the principal risks and uncertainties that the Company faced and which have been outlined in more detail elsewhere in the Strategic report. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

The Company is not exposed to any significant currency or interest rate risk.

The Company's exposure to credit and liquidity risk is reduced as it is a 100% subsidiary of the EDF Energy Group of Companies. Credit risk is mitigated by the nature of the debtor balances owed, with these due from other Group companies who are able to repay these if required, and liquidity risk is mitigated by the cash balance held which exceeds the Company's liabilities and commitments.

This report was approved by the Board of Directors and signed on its behalf by:



David Tomblin
Director

18 September 2014

DIRECTORS' REPORT

The Directors present their annual report and financial statements for the year ended 31 December 2013. A review of the business is included in the Strategic Report.

Directors

Directors who held office during the year and subsequently were as follows:

David Tomblin
Vakis Ramany

None of the Directors had a service contract with the Company in the current or prior year. They are all employed by associated companies within the Group.

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Dividends

The directors do not recommend payment of a dividend (2012: £nil).

Disclosure of information to Auditor

Each of the persons who is a director at the date of approval of this annual report confirms that:

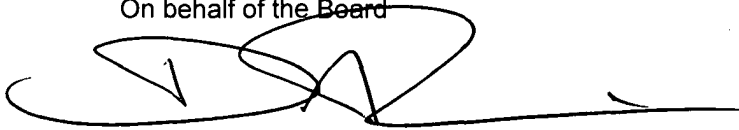
- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

Auditor

It is noted that under the provisions of the Companies Act 1985, the members have previously dispensed with the requirement to appoint auditors annually and that under the provisions of Section 487 of the Companies Act 2006, the current auditors are deemed to re-appointed until such time that the directors or the members of the Company resolve otherwise. It is further noted that the Directors have been authorised to fix the remuneration of the auditors.

On behalf of the Board



David Tomblin
Director

18 September 2014

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATED ELECTRICITY SUPPLIES LIMITED

We have audited the financial statements of Associated Electricity Supplies Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

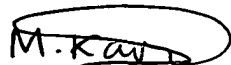
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Michael Karaiskos (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

Date: 18 September 2014

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	<i>Note</i>	2013 £	2012 £
Turnover	2	83,032	81,846
Administrative expenses		(106,364)	(82,162)
Operating loss	3	(23,332)	(316)
Investment income	5	261	128
Interest payable and similar charges	0	(4,310)	(4,238)
Loss on ordinary activities before taxation		(27,381)	(4,426)
Tax credit on loss on ordinary activities	7	10,209	4,289
Loss for the financial year		(17,172)	(137)

There were no recognised gains or losses during the year other than the loss in the current year and previous year. Accordingly, no statement of total recognised gains and losses has been presented.

All results are derived from continuing operations in both the current and preceding year.

**BALANCE SHEET
AT 31 DECEMBER 2013**

	Note	2013 £	2012 £
Current assets			
Debtors			
- due within one year	8	296,463	575,783
		296,463	575,783
Creditors: amounts falling due within one year	9	(47,957)	(307,494)
Total assets less current liabilities		248,506	268,289
Provision for liabilities and charges	10	(48,783)	(51,394)
Net assets		199,723	216,895
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	12	199,623	216,795
Shareholder's funds		199,723	216,895

The financial statements of Associated Electricity Supplies Limited, registered number 2223002 were approved by the Board of Directors on 18 September 2014 and were signed on its behalf by:



David Tomblin
Director

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The principal accounting policies are set out below. They have all been applied consistently throughout the current year and the preceding year.

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and UK GAAP.

Going concern

As set out in the Strategic Report, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The Company is exempt from preparing a cash flow statement under the terms of FRS 1 'Cash flow statements (revised 1996)' as it is a member of a group, headed by EDF Energy Holdings Limited, whose consolidated accounts include a cash flow statement and are publicly available.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred at the balance sheet date, with the following exceptions:

- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets with no likely subsequent rollover or available capital losses;
- provision is made for gains on re-valued fixed assets only where there is a commitment to dispose of the re-valued assets and the attributable gain can neither be rolled over nor eliminated by capital losses; and
- deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on an undiscounted basis.

Deferred tax is measured at the average tax rate that is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS continued

1. Accounting policies continued

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

2. Turnover

Turnover derives from rentals receivable under operating leases in the UK. The income is credited to the profit and loss account on an accruals basis over the lease term.

3. Operating loss

	2013 £	2012 £
This is stated after (crediting)/charging:		
Amounts payable under operating leases	112,700	96,814
Utilisation of onerous provision (note 10)	(14,968)	(14,968)
Revision of onerous provision (note 10)	8,632	-

Rental income under operating leases for the year amounts to £83,032 (2012: £81,846) which is included in turnover.

Changes to the recharge policy to include VAT for rental and service charges occurred during the year.

In 2013 an amount of £11,308 (2012: £11,000) was paid to Deloitte LLP for audit services. This charge was borne by another Group company in both the current and prior year. In 2013, amounts payable to Deloitte LLP by the Company in respect of other assurance services was £nil (2012: £nil).

The Company had no employees in 2013 (2012: None).

4. Directors' emoluments

None of the Directors had a service contract with the Company in the current or prior year. They are all employed by associated companies within the group and no portion of their remuneration can be specifically attributed to their services to the Company.

No Director (2012: none) held any interests in the shares or debentures of the Company or the Group required to be disclosed under the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS continued

5. Investment income

	2013 £	2012 £
Bank interest receivable	261	128
	261	128

6. Interest payable and similar charges

	2013 £	2012 £
Unwinding of discount on provision (note 10)	3,725	3,992
Bank charges	585	246
	4,310	4,238

7. Tax credit on loss on ordinary activities

(a) Analysis of tax charge in the year:

UK current tax	2013 £	2012 £
UK corporation tax credit on loss for the year	(10,383)	(5,640)
Adjustment in respect of previous periods	174	1,351
Total current tax credit (note 7(b))	(10,209)	(4,289)

Changes to the main rate of corporation tax were announced in Finance Act 2013. These comprised a reduction in the main rate of corporation tax for the financial year beginning 1 April 2014 from 23% to 21% and a further reduction for the financial year beginning 1 April 2015 from 21% to 20%. Finance Act 2013 was substantively enacted on 3 July 2013 and has therefore been applied where appropriate in these financial statements.

(b) Factors affecting tax charge for the year:

The tax assessed for the period is lower (2012: lower) than the standard rate of corporation tax in the UK.

The differences are explained below.

	2013 £	2012 £
Loss on ordinary activities before tax	(27,381)	(4,426)
Tax on loss on ordinary activities at standard UK rate of corporation tax of 23.25% (2012: 24.5%)	(6,366)	(1,084)
Effect of:		
Permanent differences	(4,017)	(4,556)
Adjustment in respect of group relief in prior years	174	1,351
Current tax credit for the year	(10,209)	(4,289)

There was no deferred tax arising in the year (2012: £nil).

NOTES TO THE FINANCIAL STATEMENTS continued

8. Debtors: amounts falling due within one year

	2013 £	2012 £
Corporation tax (Group relief receivable)	16,033	28,927
Prepayments	22,159	22,159
Amounts owed to other Group companies	258,271	524,697
	296,463	575,783

EDF Energy plc operates a collective net overdraft facility arrangement which permits the offset of cash balances with overdrafts in subsidiary companies. In 2013, the Company had £258,271 of cash (2012: £524,697) which covered overdrafts in other Group companies. Therefore this amount has been presented as an amount owed by other Group companies to reflect the nature of this agreement.

9. Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to other Group companies	22,184	281,721
Other creditors	7,069	7,069
Accruals and deferred income	18,704	18,704
	47,957	307,494

The amounts owed to other Group companies is non-interest bearing and is repayable on demand.

10. Provisions for liabilities and charges

The movements in provisions during the current year are as follows:

	At 1 January 2013 £	Increase in provision £	Utilised in the year £	Unwinding of discount £	At 31 December 2013 £
Provisions for onerous contract	51,394	8,632	(14,968)	3,725	48,783

The provision for onerous contract represents the difference between the contracted rental income from a property until the break clause date and the amounts payable by the Company for the property under its existing contract.

There is a revision of the provision for the increase in rental payments and the revised lease termination date.

11. Share capital

Allotted, called up and fully paid

	2013 Number	2012 Number	2013 £	2012 £
Ordinary shares of £1.00 each	100	100	100	100

NOTES TO THE FINANCIAL STATEMENTS continued

12. Reconciliation of shareholder's funds

	Share capital £	Profit and loss account £	Total shareholder's funds £
At 1 January 2012	100	216,932	217,032
Loss for the year	-	(137)	(137)
At 31 December 2012	100	216,795	216,895
Loss for the year	-	(17,172)	(17,172)
At 31 December 2013	100	199,623	199,723

13. Other financial commitments

At 31 December 2013, the Company had annual commitments under non-cancellable operating leases as set out below:

Land and buildings

	2013 £	2012 £
Operating leases which expire:		
After one year but not more than five years	117,600	96,000
In over five years	-	-

The lease is in respect of the property formerly occupied by Associated Electricity Supplies Limited. EDF Energy plc manages this property and sublets it to third parties on behalf of the Company. EDF Energy plc therefore makes payment of the operating lease rentals on behalf of the Company. However, there is still a legal commitment on the Company to meet these operating lease rentals as they fall due.

14. Related parties

In accordance with FRS 8 'Related party disclosures', the Company is exempt from disclosing transactions with entities that are part of the Group or investees of the Group qualifying as related parties, as it is a wholly-owned subsidiary of a parent, which prepares consolidated accounts which are publicly available.

15. Parent undertaking and controlling party

Deletpicnic Limited holds a 100% interest in Associated Electricity Supplies Limited and is considered to be the immediate parent company. EDF Energy Holdings Limited heads the smallest group for which consolidated accounts are prepared which include the results of the Company. Copies of that company's consolidated financial statements may be obtained from 40 Grosvenor Place, Victoria, London SW1X 7EN.

At 31 December 2013, Electricité de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate parent company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.