

Registration number: 2340675

# UK Power Networks Services (Powerlink Holdings) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022

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## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

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**UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

**COMPANY INFORMATION**

**Directors**                    Andrew John Hunter  
                                     Basil Scarsella  
                                     Loi Shun Chan

**Company Secretary** Andrew Pace

**Registered office**        Newington House  
                                     237 Southwark Bridge Road  
                                     London  
                                     SE1 6NP  
                                     United Kingdom

**Auditor**                     Deloitte LLP  
                                     Statutory Auditor  
                                     1 New Street Square  
                                     London  
                                     EC4A 3HQ  
                                     United Kingdom

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022**

The Directors present their Strategic Report for the year ended 31 March 2022.

#### **Principal activity**

UK Power Networks Services (Powerlink Holdings) Limited (the "Company") is an investment holding company. The Company's investments are detailed in note 8.

#### **Ownership**

The Company is a wholly owned subsidiary of the group headed by UK Power Networks Holdings Limited (the "Group"), which owns and operates electricity distribution networks in London, the South East and East of England, serving over eight million connected homes and businesses.

#### **Review of the business**

The results for the year before and after taxation was a loss of £1,000 (2021: £Nil). No dividends were paid during the year (2021: £Nil).

The Company held an 80% share in UK Power Networks Services (Powerlink) Limited ("Powerlink") and a 50% joint venture share in Power Asset Development Company Limited ("PADCO") until 25 August 2021. On that date the Company bought out the other shareholders, gaining full control and becoming sole owner of these companies (see note 8 to the financial statements). The purchase was made at net book value which amounted to £199,608 for the 20% interest in Powerlink and £2,346 for the 50% interest in PADCO.

#### **Principal risks and uncertainties**

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the Directors consider credit risk on liquid funds to be the key financial risk. This risk is mitigated by a risk management framework, implemented on group wide basis, which includes the policy to only deposit funds with banks of strong financial standing with investment grade credit-ratings assigned by international credit agencies. A sub-committee of the Group Board, the Risk Management and Compliance Committee, oversees the risk management function and makes annual assessments of changes to significant risks and the effectiveness of the risk management processes.

#### **Future developments**

The Directors expect the Company to maintain a consistent financial position in the future.

#### **Going concern**

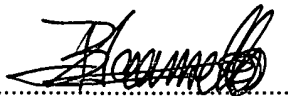
Whilst the Company and its subsidiaries Powerlink and Padco have considerable cash reserves and therefore have sufficient resources to meet obligations as they fall due for the foreseeable future, neither subsidiary is currently trading and the Company does not expect any transactions within the next 12 months apart from minor interest returns or bank fees on cash balances.

Having considered the factors above, the Directors have prepared the financial statements on the basis that the Company is no longer a going concern. No adjustments have arisen as a result of ceasing to apply the going concern basis.

**UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

**STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022**

Approved by the Board on 11 August 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Basil Scarsella', written over a dotted line.

Basil Scarsella  
**Director**

Newington House  
237 Southwark Bridge Road  
London  
SE1 6NP  
United Kingdom

## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their Annual Report including the Audited Financial Statements of the Company for the year ended 31 March 2022.

Details of the Company's financial risk management objectives and policies, future developments and going concern are included in the Strategic Report and form part of this report by cross reference.

#### Political contributions

The Company made no political donations in the current or prior year.

#### Directors of the Company

The Directors who held office during the year were as follows:

Andrew John Hunter

Basil Scarsella

Loi Shun Chan

None of the Directors had a service contract with the Company in the current or prior year.

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.

#### Disclosure of information to Auditor

Each of the persons who is a director of the Company at the date of approval of this Annual Report confirms that:

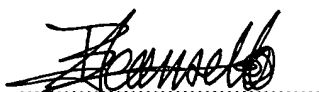
- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### Auditor

The Auditor, Deloitte LLP, is deemed reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 11 August 2022 and signed on its behalf by:



Basil Scarsella  
Director

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 to 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.

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of UK Power Networks Services (Powerlink Holdings) Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Profit and Loss Account;
- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC's") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of matter**

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern.

Our opinion is not modified in respect of this matter.



## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

*Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.*

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team and relevant internal specialists such as tax, valuations, pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports, and reviewing correspondence with HMRC.

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

#### **Report on other legal and regulatory requirements**

##### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

##### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

##### **Use of our report**

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.



.....  
**Makhan Chahal (Senior Statutory Auditor)**

For and on behalf of Deloitte LLP

Statutory Auditor

London  
United Kingdom

11 August 2022

**UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>2022 £ 000</b>	<b>2021 £ 000</b>
Write off of current asset investment	4	<u>(1)</u>	<u>-</u>
<b>Loss before tax</b>		<b>(1)</b>	<b>-</b>
Taxation	7	<u>-</u>	<u>-</u>
<b>Loss for the year</b>		<b><u>(1)</u></b>	<b><u>-</u></b>

The above results were derived from discontinued operations.

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022**

	<b>2022 £ 000</b>	<b>2021 £ 000</b>
<b>Loss for the year</b>	<u><b>(1)</b></u>	<u><b>-</b></u>
<b>Total comprehensive loss for the year</b>	<b><u>(1)</u></b>	<b><u>-</u></b>

The notes on pages 13 to 18 form an integral part of these financial statements.

# UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £ 000	2021 £ 000
<b>Fixed assets</b>			
Fixed asset investments	8	1,002	800
<b>Current assets</b>			
Current asset investments		-	1
Cash at bank and in hand		<u>1,816</u>	<u>2,018</u>
		<u>1,816</u>	<u>2,019</u>
<b>Net assets</b>		<u>2,818</u>	<u>2,819</u>
<b>Capital and reserves</b>			
Called up share capital	9	10	10
Profit and loss account	9	<u>2,808</u>	<u>2,809</u>
<b>Total shareholders' funds</b>		<u>2,818</u>	<u>2,819</u>

The financial statements of UK Power Networks Services (Powerlink Holdings) Limited, registered number 2340675, were approved by the Board of Directors and authorised for issue on 11 August 2022. They were signed on its behalf by:



Basil Scarsella  
Director

The notes on pages 13 to 18 form an integral part of these financial statements.

**UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022**

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2020	<u>10</u>	<u>2,809</u>	<u>2,819</u>
Profit/(loss) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u><u>10</u></u>	<u><u>2,809</u></u>	<u><u>2,819</u></u>

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2021	<u>10</u>	<u>2,809</u>	<u>2,819</u>
Loss for the year	<u>-</u>	<u>(1)</u>	<u>(1)</u>
Total comprehensive loss	<u>-</u>	<u>(1)</u>	<u>(1)</u>
At 31 March 2022	<u><u>10</u></u>	<u><u>2,808</u></u>	<u><u>2,818</u></u>

The notes on pages 13 to 18 form an integral part of these financial statements.

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **1 General information**

UK Power Networks Services (Powerlink Holdings) Limited (the "Company") is incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales.

The principal activities of the Company and the nature of the Company's operations are set out in the Strategic Report on page 2.

The address of its registered office is:

Newington House  
237 Southwark Bridge Road  
London  
SE1 6NP  
United Kingdom

#### **2 Accounting policies**

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

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council (FRC).

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company has taken advantage of certain exemptions in its financial statements on the basis that it meets the definition of a "qualifying entity" under FRS 102 being:

"a member of a group where the parent of that Group (UK Power Networks Holdings Limited) prepares publicly available consolidated financial statements which are intended to give a true and fair view and the member (the Company) is included in the consolidation".

The Company has therefore taken the exemption not to present a cash flow statement and not to disclose related party transactions with other wholly owned members of the Group.

##### **Consolidation**

The Company is exempt from preparing consolidated financial statements as it is a wholly owned subsidiary of UK Power Networks Holdings Ltd which prepares consolidated financial statements which include the results of the Company and are publicly available.

## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 2 Accounting policies (continued)

##### Going concern

Whilst the Company and its subsidiaries (Powerlink and Padco) have considerable cash reserves and therefore have sufficient resources to meet obligations as they fall due for the foreseeable future, neither subsidiary is currently trading and the Company does not expect any transactions within the next 12 months apart from minor interest returns or bank fees on cash balances.

Having considered the factors above, the Directors have prepared the financial statements on the basis that the Company is no longer a going concern. No adjustments have arisen as a result of ceasing to apply the going concern basis.

##### Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value. Income received from fixed asset investments is recognised on an accruals basis.

##### Tax

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.

#### 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In the Directors' opinion there are no critical judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in these financial statements.

#### 4 Write off of current asset investment

	2022 £ 000	2021 £ 000
Write off of current asset investment	(1)	-

During the year current asset investments with a carrying value of £1,000 were written off on the basis that they are considered irrecoverable. This reduced the carrying value of current asset investments to £Nil and resulted in a charge of £1,000 to profit or loss.



## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 5 Auditor's remuneration

The amount payable to Deloitte LLP was £7,000 (2021: £7,000) in respect of audit services and £Nil (2021: £Nil) in respect of non-audit services. Auditor's remuneration was borne in both years by another group company.

#### 6 Directors' remuneration and employee information

The Directors are not employed by the Company and did not receive any remuneration for services to the Company during the current or prior year.

The Company had no employees in the current or prior year.

#### 7 Taxation

The tax charge in the current and prior year was £Nil and reconciles to the standard rate of 19% (2021: 19%) applied to the loss before tax, as follows:

	2022 £ 000	2021 £ 000
Loss before tax	(1)	-
Corporation tax at standard rate	-	-
Total tax charge/(credit)	-	-

#### Tax rate changes

The current tax rate applied during the year was 19% (2021: 19%) based on the standard rate of corporation tax substantively enacted at the reporting date.

The standard rate of corporation tax is set to increase from 19% to 25% with effect from 1 April 2023, as substantively enacted in the Finance Bill 2021 on 24 May 2021. This rate increase has no effect on the tax charge for the year ended 31 March 2022.

## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 8 Fixed asset investments

	2022 £ 000	2021 £ 000
Investments in subsidiaries	<u>1,002</u>	<u>800</u>

The increase in the carrying value of investments from £800,000 to £1,002,000 relates to the purchase of an additional 20% share of UK Power Network Services (Powerlink) Ltd and 50% share of Power Asset Development Company. The shares were purchased at net book value on 25 August 2021 which amounted to £199,608 for the 20% interest in Powerlink and £2,346 for the 50% interest in PADCO. These entities are now wholly owned subsidiaries of the Company as set out below:

Subsidiaries		Principal activity	Share
UK Power Networks Services (Powerlink) Ltd ("Powerlink")	1	Non trading	100%
Power Asset Development Co. Ltd ("PADCO")	2	Non trading	100%

1 The shareholding in UK Power Networks Services (Powerlink) Ltd increased from 80% to 100% following the purchase in August 2021 of the 20% interest held by minority shareholders.

2 PADCO was disclosed as a joint venture in the prior year but following the purchase of the 50% interest held by other joint venturers in August 2021, is now a wholly owned subsidiary.

The entities listed above are registered at the following address:

Newington House  
237 Southwark Bridge Road  
London  
SE1 6NP  
United Kingdom

## UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 9 Called up share capital and reserves

	2022 £ 000	2021 £ 000
Share capital: Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>10</u>	<u>10</u>

#### Reserves

The Company's profit and loss account represents cumulative profits or losses net of dividends paid.

#### 10 Contingent liabilities

On 11 August 1998 the Company's subsidiary UK Power Networks Services (Powerlink) Limited ("Powerlink") issued 10,000,000 ordinary shares with a paid up value of £1 per share to shareholders of which only 1,000,000 were called up and fully paid. This was accompanied by a contractual agreement to settle the outstanding amounts upon written notice in the event of further funding requirements. The Company now holds all of the 10,000,000 £1 ordinary shares in Powerlink after the purchase of the 20% interest from minority shareholders on 25 August 2021 (see note 8). The 9,000,000 unpaid shares represent a contingent liability to the Company of £9,000,000. Given that the Company is now the only shareholder and further funding is no longer likely to be required by Powerlink, the intention is to cancel all of the unpaid shares. This is likely to be completed in the next financial period.

#### 11 Related party transactions

The Company has taken an exemption under FRS 102 (section 33 2.2) not to disclose transactions with other wholly owned members of the Group. The Company qualifies for this exemption on the basis that it is a wholly owned subsidiary of a parent which prepares publicly available consolidated financial statements intended to give a true and fair view of the financial position and results of the group, and the Company is included within the consolidation.

No other related party transactions were entered into during the current and prior year.

## **UK POWER NETWORKS SERVICES (POWERLINK HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **12 Parent and ultimate parent undertaking**

The Company's immediate parent is UK Power Networks Services (Asset Management) Holdings Limited, incorporated in the United Kingdom and registered in England and Wales at the following address:

Newington House  
237 Southwark Bridge Road  
London  
SE1 6NP

UK Power Networks Services Holdings Limited, incorporated in the United Kingdom and registered in England and Wales at the above address, is the parent of the smallest group in which the Company's financial statements are consolidated.

The ultimate controlling party and parent of the largest group in which the Company's financial statements are consolidated is UK Power Networks Holdings Limited, incorporated in the United Kingdom and registered in England and Wales at the above address.

Copies of the financial statements of UK Power Networks Holdings Limited and UK Power Networks Services Holdings Limited may be obtained from the Company Secretary at Energy House, Carrier Business Park, Hazelwick Avenue, Three Bridges, Crawley, West Sussex, RH10 1EX.

UK Power Networks Holdings Limited is owned by a consortium comprising:

- **CK Infrastructure Holdings Limited** (40% shareholding) incorporated in Bermuda;
- **Power Assets Holdings Limited** (40% shareholding) incorporated in Hong Kong; and
- **CK Asset Holdings Limited** (20% shareholding) incorporated in the Cayman Islands.

The 20% share now held by CK Asset Holdings Limited was previously owned by Li Ka-Shing Foundation Limited incorporated in Hong Kong. The transfer of ownership took place on 21 May 2021.

In the Directors' opinion, UK Power Networks Holdings Limited has no single controlling party as it is jointly controlled by the consortium.