



**SUTTON BRIDGE INVESTORS**

**Registered Number 3398665**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2012**

MONDAY



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## CONTENTS

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**Page:**

<b>2</b>	Directors' report
<b>4</b>	Directors' responsibilities statement
<b>5</b>	Independent Auditor's report
<b>7</b>	Balance sheet
<b>8</b>	Notes to the financial statements

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### **Directors**

Martin Lawrence  
Ronan Lory

### **Company Secretary**

Joe Souto

### **Auditor**

Deloitte LLP  
2 New Street Square  
London  
EC4A 3BZ

### **Registered Office**

40 Grosvenor Place  
Victoria  
London  
SW1X 7EN

## **DIRECTORS' REPORT**

The Directors present their annual report and financial statements for the year ended 31 December 2012. The Directors' Report has been prepared in accordance with the special provisions relating to small companies under the Companies Act 2006.

### **Principal activities and review of the business**

The Company's principal activity during the year continued to be investment in companies involved in the operation of a gas fired power station. It will continue with this activity for the foreseeable future.

On 12 December 2012 EDF Energy Plc agreed to the sale of the shares of the Company's immediate parent company to a consortium of third party investors. Completion of the sale is subject to certain conditions including the approval of the sale transaction by the European Commission (EC).

### **Directors**

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

Martin Lawrence

Ronan Lory – appointed 16/04/12

Simone Rossi – resigned 16/04/12

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 EDF Group.

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

### **Financial risk management**

The future prospects of the Company are dependent on the performance of its investment in subsidiaries. The investment in EDF Energy SB Power Systems (London) Limited has been reviewed and the carrying value is considered to be recoverable based on forecast performance of EDF Energy (Sutton Bridge Power) being the only operating subsidiary of Sutton Bridge Investors and having regard to the price agreed for the proposed sale of the Company's shares. However, the directors recognise that the valuation of the company is dependent on very volatile UK commodity market and in particular gas and electricity price movements. To date, the risk has been managed on a Group basis by EDF Energy plc which uses commodity hedge contracts to mitigate the price risk, although these arrangements will terminate upon the sale.

The Company is not exposed to any other significant price, liquidity, credit, currency or interest rate risk.

### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence. However, the proposed sale of the Company's shares to a consortium of third party investors could lead to a change in the company's principal activity depending on future plans for the business by the new investors which are outside of the control of the current Directors once the proposed sale has completed. This therefore represents a material uncertainty that casts a significant doubt upon the company's ability to continue as a going concern. Nevertheless, after making enquiries and considering the nature of the Company's activities and the nature of the proposed sale, the Directors have a reasonable expectation that the Company will continue with its principal activity and will continue in operational existence for the foreseeable future. For further information please refer to note 1.

**DIRECTORS' REPORT continued**

**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 ought to have taken as a Director in order to make himself 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

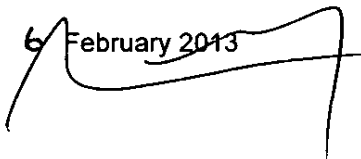
**Auditor**

On 20 October 2003 the Company passed an elective resolution dispensing with the requirement to appoint an auditor annually. In accordance with s 485 of the Companies Act 2006, Deloitte LLP are deemed re-appointed until such time as the members or the Directors determine otherwise

By order of the Board

Ronan Lory  
Director

6 February 2013



## **DIRECTORS' RESPONSIBILITIES 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, 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUTTON BRIDGE INVESTORS**

We have audited the financial statements of Sutton Bridge Investors for the year ended 31 December 2012 which comprise the Balance Sheet and the related notes 1 to 10. 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. 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 2012 and of its result 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.

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The proposed sale of the Company's shares to a consortium of third party investors could lead to a change or a cessation of the company's principal activity depending on the future plans for the business by the new investors which are outside of the control of the current Directors once the proposed sale has completed. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUTTON BRIDGE INVESTORS continued**

**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, or
- the Directors were not entitled to take advantage of small companies exemption in preparing the Directors Report



**Bevan Whitehead (Senior Statutory Auditor)**  
**for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

6 February 2013

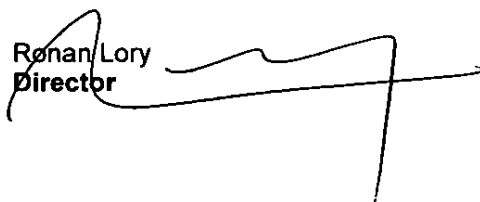
**BALANCE SHEET  
AT 31 DECEMBER 2012**

	<i>Note</i>	<b>2012 £000</b>	<b>2011 £000</b>
<b>Fixed assets</b>			
Investments in group undertakings	5	<b>45,354</b>	45,354
<b>Net assets</b>		<b>45,354</b>	45,354
<b>Capital and reserves</b>			
Called up share capital	6	-	-
Share premium	7	<b>68,245</b>	68,245
Capital reserve	7	<b>(22,891)</b>	(22,891)
<b>Shareholder's funds</b>	7	<b>45,354</b>	45,354

The Company did not trade during the current or preceding year and has made neither profit or loss, or any other recognised gain or loss. Accordingly, no profit and loss account or statement of total recognised gain and losses have been presented.

The financial statements of Sutton Bridge Investors, registered number 3398665 on pages 7 to 12 were approved by the Board of Directors on 6 February 2013 and were signed on its behalf by

Ronan Lory  
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 year and the preceding year.

#### **Basis of preparation**

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

#### **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.

#### **Consolidation**

The Company is exempt from preparing consolidated accounts as it is a wholly-owned subsidiary of EDF Energy Holdings Limited, which prepares consolidated accounts which include the results of the Company and are publicly available.

#### **Going concern**

As set out in the Directors' Report, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence. However, the proposed sale of the Company's shares to a consortium of third party investors could lead to a change or a cessation of the company's principal activity depending on future plans for the business by the new investors which are outside of the control of the current Directors once the proposed sale has completed. The Directors have therefore concluded that the proposed sale represents a material uncertainty that casts a significant doubt upon the company's ability to continue as a going concern. Nevertheless, after making enquiries and considering the nature of the Company's activities and the nature of the proposed sale, the directors have a reasonable expectation that the Company will continue with its principal activity to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Investments**

Fixed asset investments are shown at cost less any provision for impairment.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies continued

#### 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 without discounting, 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

### 2. Operating result

The Company had no employees in the current or preceding year

In 2012 an amount of £5,500 (2011 £5,500) was paid to Deloitte LLP for audit services. This charge was borne by another Group company in both the current and prior year. In 2012, amounts payable to Deloitte LLP by the Company in respect of non-audit services were £nil (2011 £nil)

### 3. Directors' emoluments

All Directors are employees of EDF Energy plc. The Directors did not receive any remuneration for services to the Company during the year or preceding year

## NOTES TO THE FINANCIAL STATEMENTS

### 4. Tax on result on ordinary activities

#### (a) Analysis of tax charge in the year

##### UK current tax

	2012 £000	2011 £000
UK corporation tax charge on result for the year	-	-

The Finance Act 2012 announced a reduction in the main rate of corporation tax for the financial year beginning 1 April 2012 from 25% to 24%. This change was substantively enacted under the Provisional Collection of Taxes Act 1968 on 27 March 2012.

The Finance Bill 2012 also announced a further reduction in the main rate of corporation tax for the financial year beginning 1 April 2013 from 24% to 23%. This was substantively enacted on 17 July 2012 and has therefore been disclosed where appropriate. In addition the Government announced in their Autumn Statement that the corporation tax rate will fall to 21% from 1 April 2014.

#### (b) Factors affecting tax charge for the year

	2012 £000	2011 £000
The tax assessed for the year is equal to (2011 equal to) the standard rate of corporation tax in the UK		
The differences are explained below		
Result on ordinary activities before tax	-	-
Result on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	-	-
Effect of		
Permanent differences	(2)	(3)
Group relief surrendered at nil charge	2	3
Current tax charge for the year	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### 5. Investments in subsidiary undertakings

	£000
At 1 January 2012 and 31 December 2012	45,354

The principal Group undertakings at 31 December 2012, which are incorporated in Great Britain and are registered and operate in England and Wales (unless otherwise stated), are as follows

	Description of ordinary shares held	Percentage of ordinary shares held	Principal activity
EDF Energy SB Power Systems (London) Limited	Ordinary A £0 01	23%	Investment in companies involved in the development, construction and operation of gas fired power stations
EDF Energy (Sutton Bridge Power)*	Ordinary £1 00	100%	Power generation
Sutton Bridge Financing Limited * ^	Ordinary US\$1	100%	Financing activities

\* Indirectly held through interest in EDF Energy SB Power Systems (London) Limited

^ incorporated in the Cayman Island

### 6. Share capital

Allotted, called up and fully paid

	2012 Number	2011 Number	2012 £000	2011 £000
Ordinary shares of 0 1p each	100,000	100,000	-	-

### 7. Reconciliation of shareholder's funds

	Share capital £000	Share premium £000	Capital reserve £000	Profit and loss account £000	Total shareholder's funds £000
At 1 January 2011	-	68,245	(22,891)	-	45,354
Result for the year	-	-	-	-	-
At 31 December 2011	-	68,245	(22,891)	-	45,354
Result for the year	-	-	-	-	-
<b>At 31 December 2012</b>	<b>-</b>	<b>68,245</b>	<b>(22,891)</b>	<b>-</b>	<b>45,354</b>

### 8. 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

## **NOTES TO THE FINANCIAL STATEMENTS**

### **9. Post balance sheet events**

On 12 December 2012 EDF Energy Plc agreed to the sale of the shares of the Company's immediate parent company to a consortium of third party investors. Completion of the sale is subject to certain conditions including the approval of the sale transaction by the European Commission (EC)

### **10. Parent undertaking and controlling party**

EDF Energy (Sutton Bridge Holdings) Limited holds a 100% interest in Sutton Bridge Investors 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 are available from 40 Grosvenor Place, Victoria, London SW1X 7EN.

At 31 December 2012, Électricité de France SA (EDF), 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 Électricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.