

**REGISTERED NO.  
3486588**

**Slough Domestic Electricity Limited**

**Financial Statements for the year ended 31 March 2012**

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# **Slough Domestic Electricity Limited**

## **Report of the Directors**

The Directors present their report together with the audited Financial Statements for the year ended 31 March 2012

### **1. Principal Activities**

Slough Domestic Electricity Limited's principal activity had previously been the operation of out-of-area private electricity distribution networks and electricity supply to industrial and commercial customers. From 1 April 2009 all of the company's activities were novated to and have subsequently been being conducted by other SSE Group companies. All companies are related parties and all are 100% owned subsidiaries of their ultimate parent, SSE plc.

As the directors do not intend to acquire a replacement trade, the financial statements have not been prepared on a going concern basis. The effect of this is explained in note 1.

### **2. Results and Dividends**

The profit for the year amounted to £3,000 (2011 - £2,998,000 loss). The directors do not recommend the payment of a dividend, (2011 - £nil).

### **3. Directors**

The Directors who served during the period were as follows:

Brandon Rennet  
Paul Smith

### **4. Political and Charitable Donations**

During the period no charitable or political donations were made (2011 - £nil).

### **5. Financial Instruments**

It is the company's policy to avoid complex financial instruments.

### **6. Auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

ON BEHALF OF THE BOARD



Brandon Rennet  
Director  
28 September 2012

55 Vastern Road  
Reading  
Berkshire  
RG1 8BU

## **Slough Domestic Electricity Limited**

### **Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

## **Independent Auditor's Report to the Members of Slough Domestic Electricity Limited**

We have audited the financial statements of Slough Domestic Electricity Limited for the year ended 31 March 2012 as set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

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 set out on page 2, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

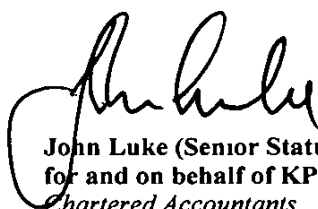
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the 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.



**John Luke (Senior Statutory Auditor)**  
for and on behalf of KPMG Audit Plc, Statutory Auditor  
*Chartered Accountants*  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

28 September 2012

## Slough Domestic Electricity Limited

### Profit and Loss Account for the year ended 31 March

	Note	2012 £'000	2011 £'000
Exceptional charge	2	-	(2,998)
<b>Operating loss</b>	3	-	(2,998)
Net interest receivable	6	4	-
<b>Profit/(loss) on ordinary activities before taxation</b>		4	(2,998)
Tax on profit on ordinary activities	7	(1)	-
<b>Profit/(loss) for the financial year</b>	12	3	(2,998)

The results are derived wholly from discontinuing activities. Other than the result for the financial year, there are no other recognised gains or losses.

The accompanying notes form part of these Financial Statements.

# **Slough Domestic Electricity Limited**

## **Balance Sheet as at 31 March 2012**

	Note	2012 £'000	Restated (note 8) 2011 £'000
<b>Current assets</b>			
Debtors amounts falling due within one year	8	18	261
Debtors amounts falling due in more than one year	9	235	-
		<u>253</u>	<u>261</u>
<b>Creditors:</b>			
Amounts falling due within one year	10	(1)	(12)
<b>Net current assets</b>		<u>252</u>	<u>249</u>
<b>Net assets</b>		<u>252</u>	<u>249</u>
<b>Capital and reserves</b>			
Called up share capital	11	-	-
Profit and loss account	12	252	249
<b>Shareholders' funds</b>		<u>252</u>	<u>249</u>

The accompanying notes form part of these Financial Statements

These Financial Statements were approved by the Directors on 28 September 2012 and signed on their behalf by



Brandon Rennet, Director  
Slough Domestic Electricity Limited  
Registered no 3486588

## Slough Domestic Electricity Limited

### Reconciliation of Movements in Shareholders' Funds

	<b>31 March 2012 £'000</b>	<b>31 March 2011 £'000</b>
Profit/(loss) for the financial year	<b>3</b>	<b>(2,998)</b>
<b>Net increase/(reduction) in shareholders' funds</b>	<b>3</b>	<b>(2,998)</b>
Opening shareholders' funds	<b>249</b>	<b>3,247</b>
<b>Closing shareholders' funds</b>	<b>252</b>	<b>249</b>

## **Slough Domestic Electricity Limited**

### **Notes on the Financial Statements for the year ended 31 March 2012**

#### **1. Principal accounting policies**

##### **Basis of preparation**

The Financial Statements have been prepared in accordance with all applicable United Kingdom accounting standards. The principal accounting policies are summarised below and have been applied consistently. The Financial Statements have been prepared under the historical cost convention.

The directors have not prepared the Financial Statements on a going concern basis in the current year or prior year. From 1 April 2009 all of the company's activities were novated to and have subsequently been being conducted by other SSE Group companies. As the directors do not intend to acquire a replacement trade, the financial statements have not been prepared on a going concern basis. Under Financial Reporting Standard 1 (FRS 1), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate parent undertaking includes the Company in its own published consolidated Financial Statements.

As the Company is a wholly owned subsidiary of SSE plc, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the SSE plc Group.

##### **Interest**

Interest receivable comprises interest earned on funds invested. Interest paid comprises interest paid on borrowings and the release of discounting on provisions. Interest income and costs are recognised in the profit and loss as they accrue, on an effective interest method.

##### **Taxation**

The charge for taxation is based on the profit for the period and takes into account deferred 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 substantially enacted, by the balance sheet date.

#### **2. Exceptional Items**

In the year ended 31 March 2011, as part of a review of internal indebtedness by the Directors of the Slough Heat and Power group, of which the company is part, certain historic balances were waived. As a consequence, an exceptional charge of £2,998,000 was recognised in that financial year.

#### **3. Operating loss**

Audit fees for the Slough Heat and Power Group of £10,000 (2011: £10,000) are borne by the parent company Slough Heat and Power Limited. £1,000 (2011: £1,000) of this was in relation to the audit of Slough Domestic Electricity Limited.

#### **4. Staff costs and numbers**

There are no employees directly employed by the Company (2011: nil).

#### **5. Directors' remuneration**

In the year to 31 March 2012, no director received remuneration in respect of their service to the Company. Both directors are employees of other SSE plc group companies, including all other Slough Heat and Power group companies.

## Slough Domestic Electricity Limited

### Notes on the Financial Statements (continued) for the year ended 31 March 2012

#### 6. Net interest receivable

	2012 £'000	2011 £'000
Interest receivable from group companies	4	-
Net interest receivable	<u>4</u>	<u>-</u>

#### 7. Taxation

	2012 £'000	2011 £'000
Current tax		
UK corporation tax at 26% (2011- 28%) current year	1	-
Total tax charge on profit/(loss) on ordinary activities	<u>1</u>	<u>-</u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2012 £'000	2011 £'000
Profit/ (loss) on ordinary activities before tax	<u>4</u>	<u>(2,998)</u>
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 26% (2011 - 28%)	1	840
Effects of		
Expenses not deductible for tax purposes (loan waiver)	-	(840)
Current tax charge for year	<u>1</u>	<u>-</u>

The 2012 Budget on 21 March 2012 announced that the UK corporation tax will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 3 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will not have a material impact on the company's tax charge.

#### 8. Debtors: amounts falling due within in the year

	2012 £'000	Restated 2011 £'000
Amounts owed by group undertakings	18	261
	<u>18</u>	<u>261</u>

Prior year debtors have been restated to correctly present the gross debtors and creditors from group undertakings

# **Slough Domestic Electricity Limited**

## **Notes on the Financial Statements (continued) for the year ended 31 March 2012**

### **9. Debtors: amounts falling due in more than one year**

	2012 £'000	2011 £'000
Amounts owed by group undertakings	235	-
	<u>235</u>	<u>-</u>

### **10. Creditors: amounts falling due within one year**

	2012 £'000	Restated 2011 £'000
Amounts owed to group undertakings	-	12
Corporation tax payable	1	-
	<u>1</u>	<u>12</u>

Prior year debtors have been restated to correctly present the gross debtors and creditors from group undertakings

### **11. Share capital**

	Number	£
Ordinary shares of £1.00 each		
Allotted, called up and fully paid		
At 1 April 2011 and 31 March 2012	<u>2</u>	<u>2</u>

### **12. Reserves**

	Profit and loss account £'000
At 1 April 2011	249
Profit for the year	3
<b>Balance at 31 March 2012</b>	<u><b>252</b></u>

### **13. Ultimate holding company**

The Company is a subsidiary of Slough Heat and Power Limited. SSE plc is the ultimate parent company and is registered in Scotland. The largest and smallest group in which the results of the Company are consolidated is that headed by SSE plc. The consolidated Financial Statements of the group (which include those of the Company) are available from Corporate Communications, Inveralmond House, 200 Dunkeld Road, Perth PH1 3AQ.