eDF ENERGY

WEST BURTON PROPERTY LIMITED

Registered Number 4267566

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2011

CONTENTS

Page:

Directors

Martin Lawrence
Ronan Lory

Company Secretary

Joe Souto

Auditor

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Registered Office

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DIRECTORS' REPORT

The Dırectors present theır annual report and financıal statements for the year ended 31 December 2011

Prıncipal actıvitıes and review of the business

The Company's prıncıpal actıvıty durıng the year contınued to be the ownershıp and subleasıng of West Burton Power statıon It contınued wıth thıs actıvıty untıl the end of the lease perıod, at whıch poınt the Company ceased tradıng On 16 November 2011, ıts net assets were sold to a fellow group company, EDF Energy (West Burton Power) Lımıted for a book value beıng an amount equal to ıts value ın use The financıal statements have subsequently been prepared on the basıs that the Company ıs no longer a goıng concern

Results and dividends

The profit for the year, before taxatıon, amounted to £17,867,000 (2010 £141,282,000 loss) and after taxatıon, amounted to £17,867,000 (2010 £123,106,000 loss) No dıvıdends were paıd ın the year (2010 £nıl)

The EDF Energy Holdıngs Lımıted group (the "Group") manages ıts operatıons on a busıness segment basıs For thıs reason, the Company's Dırectors belıeve that further key performance ındıcators for the Company are not necessary or approprıate for an understandıng of the development, performance or posıtıon of the busıness The performance of the Energy Sourcıng and Customer Supply Busıness Unıt, whıch ıncludes the Company, ıs dıscussed ın the Group's Annual Report whıch does not form part of thıs report

Dırectors

Dırectors who held office durıng the year and subsequently, except as noted, were as follows

Thomas Kusterer	(resıgned 29 March 2011)
Sımone Rossı	(appoınted 1 Aprıl 2011, resıgned 16 Aprıl 2012)
Martın Lawrence	
Ronan Lory	(appoınted 16 Aprıl 2012)

None of the Dırectors had a servıce contract wıth the Company ın the current or prıor year They are all employed by assocıated companıes wıthın the EDF group

The Company has made qualıfyıng thırd party ındemnıty provısıons for the benefıt of ıts Dırectors These were made durıng the year and remaın ın force at the date of thıs report

Dısclosure of information to Auditor

Each of the persons who ıs a Dırector at the date of approval of thıs annual report confirms that

- so far as the Dırector ıs aware, there ıs no relevant audıt ınformatıon of whıch the Company's audıtor ıs unaware, and
- the Dırector has taken all the steps that they ought to have taken as a Dırector ın order to make themselves aware of any relevant audıt ınformatıon and to establısh that the Company's audıtor ıs aware of that ınformatıon

Thıs confirmatıon ıs gıven and should be ınterpreted ın accordance wıth the provısıons of s 418 of the Companıes Act 2006

DIRECTORS' REPORT continued

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

By order of the Board

Ronan Lory
Director
25 September 2012

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 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 WEST BURTON PROPERTY LIMITED

We have audited the financial statements of West Burton Property Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16 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 2011 and of its profit 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 – Financial statements prepared other than on a going concern basis
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, which explains that the financial statements have been prepared on a basis other than that of 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 WEST BURTON PROPERTY LIMITED 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

Bevan Whitehead (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
13 September 2012

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	**2011** **£000**	2010 £000
Turnover	2	**46,144**	52,618
Cost of sales – other		**(23,929)**	(42,238)
Cost of sales – impairment of fixed assets		-	(147,000)
Operating profit/(loss)	3	**22,215**	(136,620)
Interest payable and similar charges	5	**(4,348)**	(4,662)
Profit/(loss) on ordinary activities before taxation		**17,867**	(141,282)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	-	18,176
Profit/(loss) for the financial year		**17,867**	(123,106)

All results are derived from operations which are discontinued

There were no recognised gains or losses in either year other than the profit/(loss) for that year Accordingly, no statement of total recognised gains and losses has been presented

BALANCE SHEET
AT 31 DECEMBER 2011

	Note	2011 £000	2010 £000
Fixed assets			
Tangible assets	7	-	220,132
Current assets			
Debtors amounts falling due within one year	8	-	283,997
Cash at bank and in hand		-	56,160
		-	340,157
Creditors: amounts falling due within one year	9	-	(706,921)
Net current liabilities		-	(366,764)
Total assets less current liabilities		-	(146,632)
Provision for liabilities and charges	10	-	(15,799)
Net assets/(liabilities)		-	(162,431)
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	-	(162,431)
Shareholder's funds/(deficit)	12	-	(162,431)

The financial statements of West Burton Property Limited, registered number 4267566, on pages 7 to 15 were approved by the Board of Directors on 25 September 2012 and were signed on its behalf by

Ronan Lory
Director

NOTES TO THE FINANCIAL STATEMENTS continued

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

As explained in the Directors' Report, the Company ceased trading in 2011 As required by FRS 18 Accounting Policies, the Directors have prepared the financial statements on the basis that the Company is no longer a going concern

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

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of acquisition of each asset evenly over its expected useful life, as follows

Overhaul	–	4 years
Vehicles, equipment and fittings	–	3 to 20 years**
Generating station	–	Over the remaining 12 year life of the power station (to 31 December 2023)
Flue gas desulphurisation	–	up to 20 years**

**or over the remaining life of the power station

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, which is undiscounted, 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

Leasing and hire purchase commitments

Rental income from an operating lease is recognised on a straight-line basis over the period of these leases, even if the payments are not made on such a basis

Decommissioning costs

At the balance sheet date, provision is made for the net present value of the estimated cost of decommissioning the power station at the end of its useful life A related decommissioning asset is recognised in tangible fixed assets and is amortised over the remaining life of the power station The unwinding of the discount on the provision is included in the profit and loss account within the interest payable and similar charges

Provisions

Provisions are recognised when the Group 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

2. Turnover

Turnover, which is stated net of value added tax, arises entirely in the United Kingdom and is attributable to the continuing activity of the ownership and leasing of West Burton Power station

3. Operating profit

This is stated after charging/(crediting)	**2011 £000**	2010 £000
Depreciation of fixed assets	**23,929**	42,237
Deferred income released to profit and loss	**(24,102)**	(27,493)

In 2011 an amount of £24,000 (2010 £24,000) was paid to Deloitte LLP for audit services and £nil (2010 £nil) for non-audit services These charges were borne by another Group company in both the current and prior year

There were no employees in either the current or preceding year

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 EDF group and no portion of their remuneration can be specifically attributed to their services to the Company

5. Interest payable and similar charges

	2011 £000	2010 £000
Interest payable on loans from other Group companies	**3,470**	3,670
Unwinding of discount on decommissioning provision (note 10)	**878**	992
	4,348	4,662

NOTES TO THE FINANCIAL STATEMENTS continued

6. Tax on profit/(loss) on ordinary activities

(a) Analysis of tax charge in the year

UK current tax	2011 £000	2010 £000
UK corporation tax credit on profit/(loss) for the year	**(5,916)**	(2,236)
Adjustment in respect of prior year	**(2,745)**	8,465
Total current tax charge (note 6(b))	**(8,661)**	6,229
UK deferred tax		
Origination and reversal of timing differences	**8,754**	(16,022)
Adjustment in respect of prior year	**(93)**	(8,123)
Effect of decreased tax rate on opening liability	**-**	(260)
Total deferred tax charge for the year	**8,661**	(24,405)
Total tax charge/(credit) on profit/(loss) on ordinary activities	**-**	(18,176)

The Finance Bill 2011 was published on 31 March 2011 and included a reduction in the main rate of corporation tax for the financial year beginning 1 April 2012 from 26% to 25%

This tax law was substantively enacted in the House of Commons on 5 July and received Royal Assent on 19 July 2011 and has therefore been reflected where appropriate in these financial statements

The Finance Bill 2012 announced a further 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 and has therefore been disclosed where appropriate

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%

NOTES TO THE FINANCIAL STATEMENTS continued

6. Tax on profit/(loss) on ordinary activities continued

(b) Factors affecting tax charge for the year

The tax assessed for the period is lower (2010 higher) than the standard rate of corporation tax in the UK

The differences are explained below

	2011 £000	2010 £000
Profit/(loss) on ordinary activities before tax	**17,867**	(141,282)
(Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 6% (2010 28%)	**4,753**	(39,559)
Effect of		
Non-qualifying depreciation	**4,124**	4,878
Impairment of non-qualifying fixed assets	**-**	16,978
Capital allowances in excess of depreciation and impairment	**(4,007)**	23,037
Deferred income-taxed on receipt	**(5,417)**	(6,466)
Deferred income – non-taxable	**(1,032)**	(1,232)
Decommissioning provision	**233**	278
Other permanent differences	**(228)**	(150)
Adjustment in respect of previous years	**(2,745)**	8,465
Group relief (surrendered)/claimed at other than statutory rate	**(4,342)**	-
Current tax (credit)/charge for the year	**(8,661)**	6,229

7. Tangible fixed assets

	Overhaul £000	Vehicles, equipment and fittings £000	Generating station £000	Flue gas desulphurisation £000	Assets in the course of construction £000	**Total £000**
Cost						
At 1 January 2011	66,154	37,267	386,544	122,870	37,319	**650,154**
Additions	-	-	-	-	47,795	**47,795**
Transfer	26,273	38	9,851	-	(36,162)	**-**
Disposals	(92,427)	(37,305)	(396,395)	(122,870)	(48,952)	**(697,949)**
At 31 December 2011	-	-	-	-	-	**-**
Depreciation						
At 1 January 2011	48,359	16,990	313,019	51,654	-	**430,022**
Charge for the year	10,821	12	8,161	4,935	-	**23,929**
Disposals	(59,180)	(17,002)	(321,180)	(56,589)	-	**(453,951)**
At 31 December 2011	-	-	-	-	-	**-**
Net book amount						
At 31 December 2011	-	-	-	-	-	**-**
At 31 December 2010	17,795	20,277	73,525	71,216	37,319	220,132

Included within the generating station is £nil (2010 £5,845,000) comprising the net book value of the asset relating to the decommissioning provision and £nil (2010 £970,000) comprising the cost of freehold land All the assets were sold to EDF Energy (West Burton Power) Limited for book value being an amount equal to its value in use

NOTES TO THE FINANCIAL STATEMENTS continued

7. Tangible fixed assets continued

Profit on disposal of fixed assets

	2011 £000
Proceeds	243,998
Fixed asset costs written off to profit and loss account	(697,949)
Accumulated depreciation written off to profit and loss account	453,951
Profit on disposal	-

8 Debtors: amounts falling due within one year

	2011 £000	2010 £000
Amounts owed by other Group company	-	275,000
Deferred tax	-	8,997
	-	283,997

Deferred taxation provided in the financial statements is as follows

	2011 £000	2010 £000
Accelerated capital allowances	-	3,498
Deferred income – taxed on receipt	-	5,499
Deferred tax asset	-	8,997

The movements in deferred tax asset during the current period are as follows

	At 1 January 2011 £000	Arising during the year	Change in estimate £000	At 31 December 2011 £000
Deferred tax asset	8,997	(8,661)	(336)	-
	8,997	(8,661)	(336)	-

9. Creditors: amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to other Group companies	-	679,992
Deferred income	-	24,254
Corporation tax (Group payments)	-	2,675
	-	706,921

NOTES TO THE FINANCIAL STATEMENTS continued

10. Provisions for liabilities and charges

The movements in provisions during the current year are as follows

	At 1 January 2011 £000	Unwinding of discount (note 5) £000	Change in estimate £000	**At 31 December 2011 £000**
Decommissioning	15,799	878	(16,677)	**-**
	15,799	878	(16,677)	**-**

11. Share capital

Allotted, called up and fully paid

	2011 Number	2010 Number	**2011 £**	2010 £
Ordinary shares of £1	**1**	1	**1**	1

12. Reconciliation of shareholder's funds/(deficit)

	Share capital £000	Profit and loss account £000	**Total £000**
At 1 January 2010	-	(39,325)	**(39,325)**
Loss for the year	-	(123,106)	**(123,106)**
At 31 December 2010	-	(162,431)	**(162,431)**
Profit for the year	-	17,867	**17,867**
Capital contribution	-	144,564	**144,564**
At 31 December 2011	-	-	-

During the year EDF Energy plc formally waived £144,563,977 of its loan to West Burton Property Limited This amount has been treated as a capital contribution and as a result is not recorded in profit for the year

13. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2010 £19,300,000)

NOTES TO THE FINANCIAL STATEMENTS continued

14. Other financial commitments

Operating lease commitments received

At 31 December 2011 the Company had received annual commitments under non-cancellable operating leases as set out below

	Power Station 2011 £000	Power Station 2010 £000
Operating leases which expire		
Less than one year	-	49,379

15 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

16 Parent undertaking and controlling party

EDF Energy (West Burton Power) Limited holds a 100% interest in West Burton Property 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 the Company's consolidated financial statements may be obtained from 40 Grosvenor Place, Victoria, London SW1X 7EN

At 31 December 2011, Électricité de France S A , 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 S A , 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France