

# EDF Energy Group Holdings plc

Registered Number: 03261188

Annual Report and Financial Statements

for the Year Ended 31 December 2014

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## CONTENTS

Strategic report	1
Directors' report	2
Directors' Responsibility Statement	3
Independent Auditor's report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the financial statements	8 to 14

### Directors

Vincent de Rivaz  
Robert Guyler

### Company Secretary

Lisa Deverick

### Auditor

Deloitte LLP  
2 New Street Square  
London  
EC4A 3BZ

### Registered Office

40 Grosvenor Place  
Victoria  
London  
SW1X 7EN

## STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 December 2014.

### Principal activity

The principal activity of EDF Energy Group Holdings plc (the "Company") is as an intermediary holding company for the EDF Energy plc group of companies. It will continue in this activity for the foreseeable future.

### Review of the business

The Company made neither a profit nor a loss in the year before taxation (2013: £nil) and the profit after taxation amounted to £0.5m (2013: £0.6m).

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

### Going concern

As at 31 December 2014, the Company had net current liabilities of £155.9m (2013: £156.4m) and generated no revenues during the year (2013: nil).

After making enquiries and reviewing cash flow forecasts and available facilities for at least the next 12 months, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This judgement has been formed taking into account the fact that the Company's intercompany creditor has agreed not to demand repayment of any balances owed within the next twelve months as well as the principal risks and uncertainties that the Company faces and which have been outlined in more detail elsewhere in the Strategic report. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

### Principal risks and uncertainties

The following is a discussion of the key risks facing the Company together with a summary of the Company's approach to managing those risks.

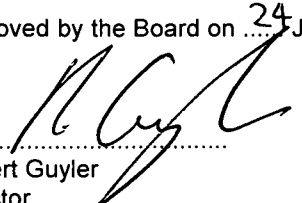
#### Investment risk

The future prospects of the Company are dependent on the performance of its investment in subsidiaries. The investments in subsidiaries have been reviewed and the carrying value is considered to be recoverable based on their forecast performance.

#### Liquidity risk

Liquidity risk is the risk that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The Company's exposure to liquidity risk is reduced by its borrowing facilities in place provided its shareholders.

Approved by the Board on 24 June 2015 and signed on its behalf by:

  
.....  
Robert Guyler  
Director

## DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 December 2014.

### Directors of the company

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

Vincent de Rivaz

Simone Rossi (resigned 23 February 2015)

The following director was appointed after the year end:

Robert Guyler (appointed 6 March 2015)

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

No Director (2013: none) held any interests in the shares or debentures of the Company or the Group which are required to be disclosed under the Companies Act 2006.

### Dividends

The Directors do not recommend payment of a dividend (2013: £nil).

### Directors liabilities

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.

### Auditor

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

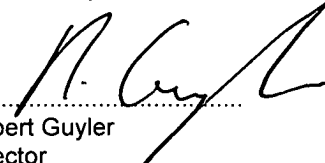
- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's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

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

### Reappointment of the auditor

Deloitte LLP have indicated their willingness to continue in office as Auditor to the Company. A resolution to reappoint Deloitte LLP as Auditor will be tabled at the forthcoming Annual General Meeting.

Approved by the Board on 24 June 2015 and signed on its behalf by:

  
.....  
Robert Guyler  
Director

## DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 EDF ENERGY GROUP HOLDINGS PLC**

We have audited the financial statements of EDF Energy Group Holdings plc for the year ended 31 December 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. 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' Responsibility 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 and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the 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 2014 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.

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

In our opinion 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDF ENERGY GROUP HOLDINGS PLC (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 ACA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP,  
Chartered Accountant and Statutory Auditor

2 New Street Square  
London  
EC4A 3BZ

24 June 2015

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>Notes</b>	<b>2014 £ m</b>	<b>2013 £ m</b>
Result on ordinary activities before taxation		-	-
Tax on ordinary activities	4	<u>0.5</u>	<u>0.6</u>
Result for the financial year	9	<u><u>0.5</u></u>	<u><u>0.6</u></u>

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

There were no recognised gains or losses in the current or prior year, other than the profits shown above and accordingly no statement of total recognised gains and losses is presented.



**BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Notes	2014 £ m	2013 £ m
<b>Fixed assets</b>			
Investments in subsidiaries, associates and joint ventures	5	2,455.9	2,455.9
<b>Current assets</b>			
Debtors	6	1.1	1.2
Cash at bank and in hand		<u>2.8</u>	<u>2.2</u>
		3.9	3.4
Creditors: amounts falling due within one year	7	<u>(159.8)</u>	<u>(159.8)</u>
Net current liabilities		<u>(155.9)</u>	<u>(156.4)</u>
Net assets		<u>2,300.0</u>	<u>2,299.5</u>
<b>Capital and reserves</b>			
Called up share capital	8	2,267.3	2,267.3
Profit and loss account	9	<u>32.7</u>	<u>32.2</u>
Shareholder's funds		<u>2,300.0</u>	<u>2,299.5</u>

The financial statements of EDF Energy Group Holdings plc, registered number 03261188 on pages 6 to 14 were approved and authorised by the Board on 24 June 2015 and signed on its behalf by:

  
.....  
Robert Guyler  
Director

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting policies

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

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Going concern**

As at 31 December 2014, the Company had net current liabilities of £155.9m (2013: £156.4m) and generated no revenues during the year (2013: nil).

After making enquiries and reviewing cash flow forecasts and available facilities for at least the next 12 months, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This judgement has been formed taking into account the fact that the Company's intercompany creditor has agreed not to demand repayment of any balances owed within the next twelve months as well as the principal risks and uncertainties that the Company faces and which have been outlined in more detail elsewhere in the Strategic report. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

#### **Exemption from preparing a 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.

#### **Exemption from preparing group accounts**

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.

#### **Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 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 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.

### 2 Operating result

In 2014 an amount of £6,000 (2013: £10,280) was paid to Deloitte LLP for audit services. This charge was borne by another Group company in both the current and prior year. In 2014, amounts payable to Deloitte LLP by the Company in respect of other assurance services were £nil (2013: £nil).

The Company had no employees in 2014 (2013: none).

### 3 Directors' remuneration

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

No Director (2013: none) held any interests in the shares or debentures of the Company or the Group required to be disclosed under the Companies Act 2006.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 4 Taxation

#### Tax on result of ordinary activities

	2014 £ m	2013 £ m
<b>Current tax</b>		
Corporation tax credit	<u>(0.5)</u>	<u>(0.6)</u>

Changes to the main rate of corporation tax were announced in Finance Act 2013. These comprised a reduction in the main rate of corporation tax for the financial year beginning 1 April 2014 from 23% to 21% and a further reduction for the financial year beginning 1 April 2015 from 21% to 20%.

#### Factors affecting current tax charge for the year

The tax on result of ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2013 - lower than the standard rate of corporation tax in the UK) of 21.5% (2013 - 23.25%).

The differences are reconciled below:

	2014 £ m	2013 £ m
Result of ordinary activities before tax	<u>-</u>	<u>-</u>
Permanent differences	<u>(0.5)</u>	<u>(0.6)</u>
Total current tax	<u>(0.5)</u>	<u>(0.6)</u>

### 5 Investments in subsidiaries, associates and joint ventures

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £ m
<b>Cost</b>	
At 1 January 2014	<u>2,455.9</u>
At 31 December 2014	<u>2,455.9</u>
<b>Net book value</b>	
At 31 December 2014	<u>2,455.9</u>
At 31 December 2013	<u>2,455.9</u>

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 5 Investments in subsidiaries, associates and joint ventures (continued)

#### Details of undertakings

The principal subsidiary undertakings at 31 December 2014, which are incorporated in Great Britain and are registered and operate in England and Wales (unless otherwise stated), are as follows:

Name of subsidiary	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
51° Limited	100%	100%	Investment company
Associated Electricity Supplies Limited	100%	100%	Investment company
British Energy Direct Limited	100%	100%	Sale of electricity
Cheshire Cavity Storage 1 Limited	100%	100%	Provision of gas storage facilities
Cheshire Cavity Storage Group Limited	100%	100%	Holding company
Deletpicnic Limited	100%	100%	Holding company
EDF Energy (Cottam Power) Limited	100%	100%	Provision and supply of electricity generation
EDF Energy (Dormant Holdings) Limited	100%	100%	Holding company
EDF Energy (Energy Branch) plc	100%	100%	Investment in electricity generation
EDF Energy (Gas Storage Hole House) Limited	100%	100%	Provision of gas storage facilities
EDF Energy (London Heat & Power) Limited	100%	100%	Generation and supply of electricity and heat
EDF Energy (Metro Holdings) Limited	100%	100%	Investment company
EDF Energy (Projects) Limited	100%	100%	Investment company
EDF Energy (West Burton Power) Limited	100%	100%	Power generation
EDF Energy 1 Limited	100%	100%	Marketing and supply of electricity and gas
EDF Energy Customer Field Services (Metering) Limited	100%	100%	Investment company
EDF Energy Customers plc	100%	100%	Electricity retailing
EDF Energy Fleet Services Limited	100%	100%	Provision and supply of transport services
EDF Energy Investments	100%	100%	Holding company
EDF Energy plc (held directly)	100%	100%	Sale of electricity
EDF Energy R&D UK Centre Limited	100%	100%	Research and development company
SEEBOARD Energy Gas Limited	100%	100%	Gas supply
SEEBOARD Energy Limited	100%	100%	Energy supply
Sutton Bridge Financing Limited	100%	100%	Financial activities

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5 Investments in subsidiaries, associates and joint ventures (continued)

The Barkantine Heat & Power Company Limited	100%	100%	Generation and supply of electricity and heat
<b>Joint ventures</b>			
Barmoor Wind Power Limited	50%	50%	Renewable energy generation
Bicker Fen Windfarm Limited	50%	50%	Renewable energy generation
Blyth Offshore Demonstrator Limited	50%	50%	Renewable energy generation
Boundary Lane Windfarm Limited	50%	50%	Renewable energy generation
Braemoore Wood Windfarm Limited	50%	50%	Renewable energy generation
Burnfoot Windfarm Limited	50%	50%	Renewable energy generation
Cemmes Windfarm Limited	50%	50%	Renewable energy generation
Burnhead Moss Windfarm Limited	50%	50%	Renewable energy generation
Cold Northcott Windfarm Limited	50%	50%	Renewable energy generation
Cumbria Wind Farms Limited	50%	50%	Renewable energy generation
EDF Energy Renewables Holdings Limited	50%	50%	Holding company
EDF Energy Renewables Limited	50%	50%	Renewable energy generation
EDF Energy Round 3 Isle of Wight Limited	51%	51%	Renewable energy generation
EDF ER CM1	50%	50%	Renewable energy generation
Fairfield Windfarm Limited	50%	50%	Renewable energy generation
Fenland Windfarms Limited	50%	50%	Renewable energy generation
First Windfarm Holdings Limited	50%	50%	Renewable energy generation
Great Orton Windfarm II Limited	50%	50%	Renewable energy generation
High Hedley Hope Wind Limited	50%	50%	Renewable energy generation
Kirkheaton Wind Limited	37.5%	37.5%	Renewable energy generation
Llangwryfon Windfarms Limited	50%	50%	Renewable energy generation
Longpark Windfarm Limited	50%	50%	Renewable energy generation
Park Spring Windfarm Limited	50%	50%	Renewable energy generation
Red Tile Wind Limited	50%	50%	Renewable energy generation
Road Windfarm Limited	50%	50%	Renewable energy generation
Royal Oak Windfarm Limited	50%	50%	Construction of renewable energy generation
Wind Prospect Development 2 Limited	50%	50%	Renewable energy generation
Teesside Windfarm Limited	50%	50%	Renewable energy generation
Walkway Windfarm Limited	50%	50%	Renewable energy generation

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 5 Investments in subsidiaries, associates and joint ventures (continued)

#### Associates

Barking Power Limited	18.6%	25%	Power generation
Fallago Rigg Windfarm Limited	10%	10%	Renewable energy generation
Glass Moor II Windfarm Limited	10%	10%	Renewable energy generation
Green Rigg Windfarm Limited	10%	10%	Renewable energy generation
Lewis Wind Power Limited	50%	50%	Renewable energy generation
Navitus Bay Development Limited	25%	25%	Renewable energy generation
Rusholme Windfarm Limited	10%	10%	Renewable energy generation

### 6 Debtors

	2014 £ m	2013 £ m
Corporation tax (Group relief receivable)	<u>1.1</u>	<u>1.2</u>

### 7 Creditors: Amounts falling due within one year

	2014 £ m	2013 £ m
Amounts owed to Group undertakings	<u>159.8</u>	<u>159.8</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	2014 No. m	£ m	2013 No. m	£ m
Allotted, called up and fully paid of £1 each	<u>2,267</u>	<u>2,267</u>	<u>2,267</u>	<u>2,267</u>

### 9 Reserves

	Share capital £ m	Profit and loss account £ m	Total £ m
At 1 January 2014	2,267.3	32.2	2,299.5
Profit for the year	-	0.5	0.5
At 31 December 2014	<u>2,267.3</u>	<u>32.7</u>	<u>2,300.0</u>

### 10 Related party transactions

The Company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

### 11 Parent undertaking and controlling party

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

At 31 December 2014, Electricite de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate parent company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from Electricite de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.