

AES DRAX POWER FINANCE HOLDINGS LIMITED

Annual Report and Financial Statements

31 December 2016.



AES DRAX POWER FINANCE HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2016

| CONTENTS | Page |
|--|-------------|
| Company information | 1 |
| Directors' report | 2 |
| Directors' responsibilities statement | 3 |
| Statement of Financial position | 4 |
| Notes to the financial statement | 5 |

AES DRAX POWER FINANCE HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

Ian Luney
Mark Reynolds

REGISTERED OFFICE

First Floor, Templeback
10 Temple Back
Bristol
BS1 6FL

AES DRAX POWER FINANCE HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 2016.

ACTIVITIES, RESULTS AND DIVIDENDS

The company did not trade in the year and is not expected to trade in the foreseeable future.

The directors do not recommend the payment of a dividend (2015: £nil).

STRATEGIC REPORT

The directors have not prepared a strategic report as the company is entitled to the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

SMALL COMPANIES' EXEMPTION

This report has been prepared in accordance with the special provisions of Part 15 Chapter 5 of the Companies Act 2006 relating to small companies.

DIRECTORS AND THEIR INTERESTS


The directors of the company who served during the year and to date are shown on page 1.

None of the directors had any interests, as defined by the Companies Act 2006, in the shares of the company or of any other group company during the current or preceding financial year.

AUDITORS

No auditors are planned to be appointed by the directors going forward because the Company is entitled to the exemption provided by section 480 of the Companies Act 2006 relating to dormant companies.

Approved by the Board of Directors
and signed on behalf of the Board


Ian Luney
Director

14 September 2017

Company Registration No. 03878799

AES DRAX POWER FINANCE HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable UK 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 estimates that are reasonable and prudent; and
- 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 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.

AES DRAX POWER FINANCE HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

| | Note | 2016 £'000 | 2015 £'000 |
|---|------|---------------|---------------|
| CURRENT ASSETS | | | |
| Cash at bank and in hand | | 4 | 4 |
| CREDITORS: amounts falling due within one year | 3 | (171,398) | (171,398) |
| NET CURRENT LIABILITIES | | (171,394) | (171,394) |
| NET LIABILITIES | | (171,394) | (171,394) |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 4 | 1,000 | 1,000 |
| Profit and loss account | 5 | (172,394) | (172,394) |
| SHAREHOLDERS' DEFICIT | | (171,394) | (171,394) |

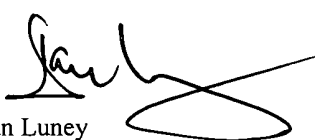
For the year ending 31 December 2016 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the Board of Directors on 14 September 2017.

Signed on behalf of the Board of Directors


 Ian Luney
 Director

AES DRAX POWER FINANCE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENT **Year ended 31 December 2016**

1. ACCOUNTING POLICIES

The Company is exempt by virtue of s400 (1) of Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, AES Corporation, includes the Company in its consolidated financial statements. The consolidated financial statements of AES Corporation are available to the public and may be obtained from the Securities and Exchange Commission, 450 5th Street NW, Washington DC 20549, USA.

The company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period required by FRS 102.4.12;
- Section 33 Related Party Disclosures required by FRS 102.33.5;
- Cash Flow Statement and related notes required by FRS 102.7; and
- Key Management Personnel compensation required by FRS 102.33.6.

As the consolidated financial statements of AES Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Unless otherwise stated the accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Basis of preparation of financial statements

The company has net liabilities and is not expected to trade in the foreseeable future. However the directors have continued to prepare the financial statements on the going concern basis because they do not believe that any material adjustments arise from preparation on any other basis.

Accounting convention

The financial statements are prepared under the historical cost convention.

AES DRAX POWER FINANCE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENT **Year ended 31 December 2016**

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the year and made neither profit nor loss.

No director received any emoluments for their services to the company for the year ended 31 December 2016 or the preceding year.

The company has no employees (2015 – none).

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 £'000 | 2015 £'000 |
|---|-----------------------------|-----------------------------|
| Immediate parent company | 171,000 | 171,000 |
| Amounts owed to other group undertaking | 403 | 403 |
| Corporation tax | (5) | (5) |
| | <u>171,398</u> | <u>171,398</u> |

4. CALLED UP SHARE CAPITAL

| | 2016 £'000 | 2015 £'000 |
|---|-----------------------------|-----------------------------|
| Authorised | | |
| 1,000,000,000 ordinary shares of £1 each | <u>1,000,000</u> | <u>1,000,000</u> |
| Called up, allotted and fully paid | | |
| 1,000,001 ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

5. CAPITAL AND RESERVES

| | Called up share capital £'000 | Profit and loss account £'000 | Total £'000 |
|-----------------------------------|--|--|------------------------|
| At 1 January and 31 December 2016 | <u>1,000</u> | <u>(172,394)</u> | <u>(171,394)</u> |

6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

| | 2016 £'000 | 2015 £'000 |
|--------------------------------|-----------------------------|-----------------------------|
| Opening shareholders' interest | <u>(171,394)</u> | <u>(171,394)</u> |
| Closing shareholders' interest | <u>(171,394)</u> | <u>(171,394)</u> |

AES DRAX POWER FINANCE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENT

Year ended 31 December 2016

7. ULTIMATE PARENT COMPANY

The immediate parent company is AES UK Power Financing Limited, a company registered in England and Wales. The ultimate controlling party is AES Corporation, a company incorporated in the State of Delaware, USA. The company is a subsidiary undertaking of AES Corporation which is the ultimate parent undertaking. The largest and smallest group in which the results of the company are controlled is that headed by AES Corporation. Copies of the parent company's financial statements can be obtained from the Securities and Exchange Commission, 450 5th Street NW, Washington DC 20549, USA.

8. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There are no subsequent event after the balance sheet date.