



51° LIMITED

Registered Number 4184523

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2008

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CONTENTS

Page:

2	Director's report
4	Statement of Directors' responsibilities
5	Independent Auditors' report
7	Profit and loss account
8	Balance sheet
9	Notes to the financial statements

Director

Thomas Kusterer

Company Secretary

Joe Souto

Auditors

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

Registered Office

40 Grosvenor Place
Victoria
London
SW1X 7EN

DIRECTOR'S REPORT

The Director presents his report and financial statements for the year ended 31 December 2008.

Principal activity and review of the business

The principal activity of the Company was that of a telecommunications carrier and solutions provider. The Company sold the telecommunication network in April 2007. The Company has been non-trading from this date and will continue to be non-trading for the foreseeable future.

Results and dividends

The loss for the year, after taxation, amounted to £67,000 (2007 loss: £7,329,000). Loss before tax for the year amounted to £67,000 (2007: profit £389,000). The Directors do not recommend payment of a dividend (2007: £nil).

EDF Energy plc, an intermediate holding company, manages the company and other subsidiaries operations on a group basis. For this reason and the non-trading nature of the Company, the Company's Director believes that further key performance indicators of the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of EDF Energy plc and its subsidiaries ("the Group") which includes the Company is discussed in the Group's Annual Report which does not form part of this Report.

Directors and their interests

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

Thomas Kusterer	(appointed 1 April 2009)
Humphrey A E Cadoux-Hudson	(resigned 1 April 2009)
Paul Cuttill	(resigned 10 June 2008)

None of the Directors had or has a service contract with the Company. They were employed by the parent company, EDF Energy plc, and had service contracts with that company during the year.

There were no contracts of significance during or at the end of the financial year in which a Director of the Company was materially interested.

None of the Directors who held office at the end of the financial year had any interests in the shares of the Company or any other Group company required to be disclosed under the Companies Act 1985.

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.

Financial risk management

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk.

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet the only financial risks the Director considers relevant to this Company are credit risk and liquidity risk. The Company's exposure to these risks is reduced as it is a 100% subsidiary of the EDF Energy Group of companies. Credit risk is mitigated by the nature of the debtor balances owed, with these

DIRECTOR'S REPORT Continued

debtors due from other Group companies who are able to repay the debts if required and liquidity risk is mitigated by the financial support over the overdraft given by EDF Energy plc, a fellow Group company.

The Group's risks are discussed in the Group's Annual Report which does not form part of this report.

Disclosure of information to Auditors

The 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 Auditors are 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 Auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Auditors

Deloitte LLP have expressed their willingness to continue in office as auditors. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board



Thomas Kusterer
Director

Date 30 October 2009

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

United Kingdom company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these financial statements, the Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 Director is responsible for keeping proper accounting records that 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 1985. 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 AUDITORS' REPORT TO THE MEMBERS OF 51° LIMITED

We have audited the financial statements of 51° Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 Auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 51° LIMITED (Continued)

Emphasis of matter – financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Deloitte WP

Deloitte LLP
Chartered Accountants and Registered Auditors
London
Date 2009

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008

	<i>Notes</i>	2008 £000	2007 £000
Turnover	2	-	162
Cost of sales		-	(122)
Gross profit		-	40
Distribution expenses		(62)	(191)
Administrative (expenses)/credit		(4)	70
Operating loss on ordinary activities before taxation	3	(67)	(81)
Profit on sale of fixed assets		-	470
(Loss)/Profit on ordinary activities before taxation		(67)	389
Tax on (loss)/profit on ordinary activities	6	-	(7,718)
Retained Loss for the financial year	11	(67)	(7,329)

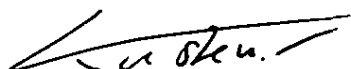
All results are from discontinued operations in the current year. The telecommunications network was sold on 12 April 2007.

There were no recognised gains or losses in either year other than the loss for that year and accordingly no statement of total recognised gains or losses has been presented.

**BALANCE SHEET
AT 31 DECEMBER 2008**

	<i>Notes</i>	2008 £000	2007 £000
Current assets			
Debtors	7	1	43
Total current assets		1	43
Creditors: amounts falling due within one year	8	(29,233)	(29,209)
Net current liabilities		(29,232)	(29,166)
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	(29,232)	(29,166)
Shareholder's deficit	11	(29,232)	(29,166)

The financial statements on pages 7 to 12 were approved by the Board of Directors on 30 October 2009 and were signed on its behalf by:



Thomas Kusterer
Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

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 in accordance with applicable United Kingdom law and accounting standards.

The Company sold the telecommunication network in April 2007 and hence the Company was non-trading from this date and for the foreseeable future. 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. No material adjustments arose as a result of ceasing to apply the going concern basis. The carrying value of the telecommunication network at 31 December 2008 was £nil. The Group operates a cash pooling arrangement, and on this basis, EDF Energy plc is contractually committed to guaranteeing the overdraft of 51° Limited.

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 plc, whose consolidated financial statements include a cash flow statement and are publicly available (note 13).

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 revalued fixed assets only where there is a commitment to dispose of the revalued asset and the attributed gain can neither be rolled over or 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.

2. Turnover

Turnover, which is stated net of value added tax, arises entirely in the United Kingdom and is attributable to the operations of the telecommunications carrier business. Turnover is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses.

3. Operating loss

In 2008 an amount of £5,000 (2007: £5,000) was paid to Deloitte LLP for audit services. This charge was borne by another Group company in the current and prior year. In 2008, amounts payable to Deloitte LLP by the Company in respect of non-audit services were £nil (2007: £nil).

There were no employees in the Company in the current year.

NOTES TO THE FINANCIAL STATEMENTS Continued

4. Directors' emoluments

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

5. Interest payable and similar charges

In the current and prior year, interest on the bank overdraft was borne by another Group company under cash pooling arrangements.

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

(a) Analysis of tax charge in the year:

UK current tax

	2008 £000	2007 £000
UK corporation tax credit on loss for the year	-	-
Adjustment in respect of previous year	-	6,412
Total current tax charge (note 6(b))	-	6,412

UK deferred tax

	2008 £000	2007 £000
Origination and reversal of timing differences	-	1,306
Total deferred tax charge for the year	-	1,306
Total tax charge on (loss)/profit on ordinary activities	-	7,718

(b) Factors affecting current tax for the year:

2008 £000	2007 £000
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The tax assessed for the period is equal to (2007: higher) than the standard rate of corporation tax in the UK.

The differences are explained below:

(Loss)/profit on ordinary activities before tax	(67)	389
Tax on (loss)/profit on ordinary activities multiplied by standard UK of corporation tax of 28% (2007: 30%)	(19)	117
Effect of:		
Capital allowances in excess of depreciation	-	(1,306)
Permanent differences	(1)	(160)
Adjustment in respect of previous years	-	6,412
Disallowed expenses	19	
Group relief surrendered at nil charge	1	1,349
Current tax charge for the period	-	6,412

NOTES TO THE FINANCIAL STATEMENTS Continued

7. Debtors: amounts falling due within one year.

	2008 £000	2007 £000
Trade debtors	-	10
Other debtors and prepayments	1	33
	1	43

8. Creditors: amounts falling due within one year

	2008 £000	2007 £000
Bank overdraft	27,807	27,858
Amounts owed to Group companies	1,376	1,274
Accruals and deferred income	50	77
	29,233	29,209

9. Deferred tax

	At 1 January 2008 £000	Arising during the year £000	At 31 December 2008 £000
Deferred tax asset (note 7)	-	-	-

Deferred taxation provided in the financial statements is as follows:

	2008 £000	2007 £000
Fixed asset timing differences	-	-
Total deferred tax	-	-

10. Share capital

Authorised

	2008 Number	2007 Number	2008 £	2007 £
Ordinary shares of £1 each	100	100	100	100

Allotted, called up and fully paid

	2008 Number	2007 Number	2008 £	2007 £
Ordinary shares of £1	1	1	1	1

NOTES TO THE FINANCIAL STATEMENTS Continued

11. Reconciliation of shareholder's deficit

	Share capital	Profit and loss account	Total share- holder's deficit
	£000	£000	£000
As at 1 January 2007	-	(21,837)	(21,837)
Loss for the financial year	-	(7,329)	(7,329)
As at 1 January 2008	-	(29,166)	(29,166)
Loss for the financial year	-	(67)	(67)
At 31 December 2008	-	(29,232)	(29,232)

12. Related parties

In accordance with FRS 8 'Related parties 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.

13. Parent undertaking and controlling party

EDF Energy (Enterprises) Limited holds a 100% interest in 51° Limited and is considered to be the immediate parent company. EDF Energy plc heads 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.

At 31 December 2008, Electricité de France SA (EDF), a company incorporated in France, is regarded by the Director 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 Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.