

# Horizon Nuclear Power Wylfa Limited

Annual Report and Financial Statements  
for the period 6 February 2009 to  
31 December 2009

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COMPANIES HOUSE

Registered Number 06811987

## **Horizon Nuclear Power Wylfa Limited**

### **Annual Report and Financial Statements for the period 6 February 2009 to 31 December 2009**

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## **Horizon Nuclear Power Wylfa Limited**

### **Directors' report for the period 6 February 2009 to 31 December 2009**

The directors present their report and the audited financial statements of the Company for the period 6 February 2009 to 31 December 2009. These are the first set of financial statements of the Company.

#### **Principal Activities**

The principal activity of Horizon Nuclear Power Wylfa Limited ("the Company") is the development of low carbon electricity generation facilities, which currently includes the development of its land holdings at Wylfa towards the construction and operation of a new nuclear power plant.

#### **Review of Business and Future Developments**

Horizon Nuclear Power Wylfa Limited is a 100% owned subsidiary of Horizon Nuclear Power Limited, itself a 50/50 joint venture owned by RWE Npower plc and E.ON UK plc (the "Ultimate Shareholders").

The Company was incorporated in the UK on 6 February 2009 under the name Intercede 2313 Limited. On 19 February 2009 the Company changed its name to Bow Bidco Wylfa Limited, and on 11 November 2009 the Company was re-named Horizon Nuclear Power Wylfa Limited.

During April 2009, the Company participated in a land auction run by the Nuclear Decommissioning Authority ("NDA") and was successful in acquiring the rights from the NDA and Electricite de France ("EdF") over certain land holdings adjacent to the existing nuclear power station at Wylfa, Anglesey. Since April 2009, the Company has continued to develop this site towards obtaining the necessary consents to construct and operate a new nuclear power plant.

The principal key performance indicators the Company applies to manage its activities are cost optimisation and programme management against development milestones. Costs are detailed in note 2 (Operating costs) and note 7 (Intangible assets).

In November 2009, the Company moved into a new headquarters building near Gloucester.

Going forward the company will continue to develop the site at Wylfa, as well as considering investments in alternative low carbon electricity generation.

#### **Financial risk factors**

The management of the Company and the execution of the Company's strategy are subject to a number of risks. These are principally around the wider political and public acceptance of building new nuclear power stations, and specifically around obtaining the relevant licences and approvals to build and operate a nuclear power plant at the Company's site. The Company manages these risks through careful stakeholder involvement and monitoring against the project milestones.

In addition, the directors have identified the need to manage the Company's material financial risks, which are principally around cash flow and liquidity management. These risks are monitored by the Finance and Risk function which develop cash flow forecasts and funding schedules for the Company. The Company is funded by its parent company, which is itself funded by the Ultimate Shareholders. The Company's cash position is expected to satisfy any short-term liquidity requirements.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. No assets or liabilities at the end of the period are deemed to carry a significant cash flow risk.

The Company currently does not have any significant credit or market risks, and is not exposed to foreign exchange risk in the normal course of business.

## **Horizon Nuclear Power Wylfa Limited**

### **Directors' report for the period 6 February 2009 to 31 December 2009 (continued)**

#### **Policy on payment of creditors**

It is the Company's policy to agree payment terms with suppliers when agreeing the terms of each transaction, to pay all accounts payable as they fall due, and to abide by agreed terms of payment. The average creditor days at 31 December 2009 for the Company 365 days based on the ratio of creditors outstanding at 31 December 2009 and total purchases since the payment for the services provided by Horizon Nuclear Power Services Limited remains outstanding at the balance sheet date.

#### **Charitable donations**

No charitable donations were made by the Company during the period.

#### **Political donations**

No political donations were made by the Company during the period.

#### **Employees**

The Company has no employees.

#### **Results and Dividends**

In line with expectations, the Company recorded a loss of £506,000 during the period covered by these financial statements. The Company's total asset position as at 31 December 2009 was £24,269,000. To support ongoing development costs, capital injections were made in 2009, as detailed in note 8 to the financial statements.

The directors do not propose a dividend for the period ended 31 December 2009.

#### **Directors and their interests**

The directors who held office during the period to 31 December 2009 and up to the date of this report (except as noted) were:

Mitre Directors Limited	Appointed 6 February 2009, resigned 19 February 2009
Mitre Secretaries Limited	Appointed 6 February 2009, resigned 19 February 2009
William George Henry Yuill	Appointed 6 February 2009, resigned 19 February 2009
Kevin Akhurst	Appointed 19 January 2009, resigned 15 September 2009
Volker Beckers	Appointed 19 February 2009, resigned 20 January 2010
Ralf Guldner	Appointed 19 February 2009
James Lightfoot	Appointed 19 February 2009, resigned 05 June 2009
Hartmut Pamme	Appointed 19 February 2009, resigned 1 April 2010
Caroline Farebrother	Appointed 19 February 2009, resigned 23 February 2009
Colin Scoins	Appointed 19 February 2009
Klaus Hammer	Appointed 05 June 2009, resigned 20 January 2010
Kevin McCullough	Appointed 15 September 2009
Fiona Stark	Appointed 20 January 2010
Frank Weigand	Appointed 20 January 2010
Joern-Erik Mantz	Appointed 1 April 2010

The directors do not have any interest in the shares of Horizon Nuclear Power Wylfa Limited or its parent company.

## Horizon Nuclear Power Wylfa Limited

### Directors' report for the period 6 February 2009 to 31 December 2009 (continued)

#### Statement of Directors' Responsibilities

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 the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

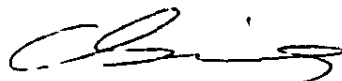
(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### Independent Auditors

PricewaterhouseCoopers LLP have been appointed as auditors of the Company.

PricewaterhouseCoopers LLP have indicated their willingness to continue as auditors of the Company and to remain in office until the next Annual General Meeting of the Company at which accounts are laid.

By Order of the Board



22 April 2010

## **Horizon Nuclear Power Wylfa Limited**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORIZON NUCLEAR POWER WYLFA LIMITED**

We have audited the financial statements of Horizon Nuclear Power Wylfa Limited for the period ended 31 December 2009 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **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.

#### **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 2009 and of its loss and cash flows for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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 period for which the financial statements are prepared is consistent with the financial statements.

**Horizon Nuclear Power Wylfa Limited**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HORIZON  
NUCLEAR POWER WYLFA 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

Nicholas Blackwood (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

22 April 2010

## Horizon Nuclear Power Wylfa Limited

### Statement of Comprehensive Income for the period the period 6 February 2009 to 31 December 2009

	<i>Note</i>	<b>Period to 31 December 2009 £'000</b>
Revenue		-
Operating costs	2	(506)
<b>Operating loss, being loss before income tax</b>		<b>(506)</b>
Income tax expense	5	-
<b>Loss for the period, attributable to equity shareholder</b>		<b>(506)</b>
<b>Total comprehensive income for the period, attributable to equity shareholder</b>		<b>(506)</b>

All amounts relate to continuing operations

The notes on pages 11 to 19 form an integral part of these financial statements

Comparative values are not shown because these are the first financial statements of the Company



## Horizon Nuclear Power Wylfa Limited

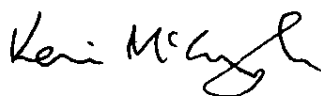
### Balance sheet as at 31 December 2009

	<i>Note</i>	<b>31 December 2009 £'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6	23,705
Intangible assets	7	564
		<hr/>
		<b>24,269</b>
		<hr/>
<b>Total assets</b>		<b>24,269</b>
		<hr/>
<b>Equity and liabilities</b>		
<b>Equity attributable to shareholder</b>		
Ordinary shares	8	23,000
Retained earnings		(506)
		<hr/>
<b>Total equity</b>		<b>22,494</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	9	1,775
		<hr/>
<b>Total liabilities</b>		<b>1,775</b>
		<hr/>
<b>Total equity and liabilities</b>		<b>24,269</b>
		<hr/>

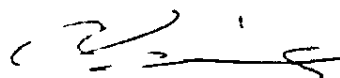
The notes on pages 11 to 19 form an integral part of these financial statements

Comparative values are not shown because these are the first financial statements of the Company

The financial statements on pages 7 to 19 were approved by the Board of Directors on 22 April 2010 and signed on their behalf by



Director  
22 April 2010



Director

Horizon Nuclear Power Wylfa Limited

Registered Number: 06811987

## Horizon Nuclear Power Wylfa Limited

### Statement of Changes in Equity for the period 6 February 2009 to 31 December 2009

	<i>Note</i>	<b>Share Capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at incorporation</b>		-	-	-
Loss for the period		-	(506)	(506)
Issue of share capital	8	23,000	-	23,000
<b>Balance at 31 December 2009</b>		<b>23,000</b>	<b>(506)</b>	<b>22,494</b>

The notes on pages 11 to 19 form an integral part of these financial statements

Comparative values are not shown because these are the first financial statements of the Company

## Horizon Nuclear Power Wylfa Limited

### Cash flow statement for the period 6 February 2009 to 31 December 2009

	<b>Period to 31 December 2009 £'000</b>
<b>Cash flows from Operating Activities</b>	
Loss for the period	(506)
Increase in payables	1,775
<b>Net cash generated from operating activities</b>	<b>1,269</b>
<b>Cash flows from Investing Activities</b>	
Purchases of intangible assets	(564)
Purchases of tangible assets	(23,705)
<b>Net cash used in investing activities</b>	<b>(24,269)</b>
<b>Cash flows from Financing Activities</b>	
Proceeds from issuance of ordinary shares	23,000
<b>Net cash generated from financing activities</b>	<b>23,000</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>-</b>
Cash, cash equivalents and bank overdrafts at beginning of period	-
<b>Cash and cash equivalents at end of period</b>	<b>-</b>

The notes on pages 11 to 19 form an integral part of these financial statements

Comparative values are not shown because these are the first financial statements of the Company

## **Horizon Nuclear Power Wylfa Limited**

### **Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009**

#### **1 Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are set out below

##### **Basis of Preparation**

These financial statements are prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The parent company, Horizon Nuclear Power Limited, has confirmed that it will continue to support the Company for at least the forthcoming year. Accordingly, the directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed on page 14.

Horizon Nuclear Power Wylfa Limited was incorporated on 6 February 2009 as a UK limited company. The address of its registered office is 5210 Valiant Court, Gloucester Business Park, Delta Way, Gloucester, GL3 4FE. This is the first set of financial statements produced by the Company and covers the period from incorporation, to the balance sheet date, 31 December 2009. Comparative values are not shown.

##### **Foreign Currency Translation**

The financial statements are presented in GBP, which is the parent's functional currency and the Company's presentation currency.

Foreign currency transactions in the income statement are valued at the exchange rate prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within other expenses.

##### **Property, Plant and Equipment**

Land comprises the Company's landholdings at Wylfa, and is shown at cost. All other property, plant and equipment are shown at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

## **Horizon Nuclear Power Wylfa Limited**

### **Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)**

#### **1 Accounting Policies (continued)**

##### **Property, Plant and Equipment (continued)**

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives of the assets.

Ranges of estimated useful lives are as follows:

Leasehold land	Period of lease
----------------	-----------------

##### **Intangible Assets**

Development expenditure incurred by the Company that clearly supports the ongoing programme to obtain the necessary site licences and consents to build and subsequently operate a nuclear power station is capitalised as an intangible asset.

All other development expenditure that does not meet the criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

All intangible assets are acquired assets and are accounted for at historical cost less amortisation. Amortisation does not commence until the nuclear power station becomes operational.

##### **Cash and cash equivalents**

Cash and cash equivalents represent cash in hand and at bank.

##### **Share capital**

Ordinary shares are classified as equity.

##### **Trade and Other Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised at fair value and subsequently measured at amortised cost using the effective interest method.

## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 1 Accounting Policies (continued)

##### Current and deferred income tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date in the United Kingdom and generate taxable income. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised if the temporary difference arises from goodwill.

##### Recent Accounting Developments

The following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 6 February 2009 or later periods, but the Company has not adopted them early.

- IFRS 8, 'Operating segments' – effective 1 January 2010. This standard replaces IAS 14 and uses a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This is not expected to have a significant impact on the Company.
- IAS 1 (revised), 'Presentation of financial statements' – effective 1 January 2010. This revised standard required changes to the presentation of financial statements and adopts revised titles for the primary statements. This is not expected to have a significant impact on the Company.
- IAS 23 (revised), 'Borrowing costs' – effective 1 January 2010. This revised standard requires the capitalisation of borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed. This is not expected to have a significant impact on the Company.
- IAS 24 (amendment), "Related party disclosures" as this too is applicable. The standard is effective from 1 Jan 2011.
- IAS 27 (revised), "Consolidated and Separate Financial Statements" The standard is effective from 1 July 2009.

A collection of amendments to various IFRSs were issued as part of the IASB's "Annual Improvement Process" in 2008 and 2009 and include a number of minor IFRS changes. The amendments seek to

## **Horizon Nuclear Power Wylfa Limited**

### **Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)**

#### **1 Accounting Policies (continued)**

##### **Recent Accounting Developments (continued)**

specify the rules and eliminate unintended inconsistencies among the standards. The amendments become effective for the year starting after 1 January 2010. The impact of the first-time application of these amendments on the Company's financial statements is still being reviewed.

The International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) have adopted further standards and interpretations, which were not mandatory in the 2009 financial year. These IFRSs can only be applied if they are endorsed by the EU, which is still pending in some cases.

##### **Financial risk factors**

Details about the Company's assessment of financial risk factors are included within the Directors' Report on page 2.

##### **Significant Accounting Estimates and Judgements**

Preparation of financial statements pursuant to IFRS requires assumptions and estimates to be made, which have an impact on the recognised value of the assets and liabilities carried on the balance sheet, on income and expenses, and on the disclosure of contingent liabilities.

All assumptions and estimates are based on the circumstances and forecasts prevailing on the balance sheet date. Although management uses its best estimates and judgements, actual results could differ from these estimates as future confirming events occur.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### *Land value - Recognition*

In May 2009 the Company successfully competed in the NDA land auction securing two parcels of land. Following completion of the auction, total deposits of £23,000,000 were paid, with the remainder becoming payable on the satisfaction (or waiving) of a number of conditions.

At the balance sheet date, these conditions remain unsatisfied, and it is the Company's view that it is probable that these conditions will be met, but not "virtually certain", which is why the full value of the asset (and corresponding liability) is not shown on the face of the balance sheet, but rather disclosed as contingent (see note 10).

##### *Intangible Assets - Recognition*

Where development costs incurred are specific to a site and are judged to increase the likelihood of a future flow of economic benefits, the costs are capitalised.

##### *Intangible Assets - Classification*

Where capital expenditure is judged to increase the likelihood of obtaining a site licence, the costs are classified as intangible.

## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 2 Operating costs

	<b>Period to 31 December 2009 £'000</b>
Other expenses	506
<b>Total operating costs</b>	<b>506</b>

#### 3 Auditor's remuneration

	<b>Period to 31 December 2009 £'000</b>
Fees payable to the Company's auditor for the audit of the financial statements	9

#### 4 Employee benefits and Directors' remuneration

The Company does not employ any staff

None of the directors of the Company received any remuneration in respect of their services to Horizon Nuclear Power Wylfa Limited. Directors' emoluments are paid by the Ultimate Shareholder companies for which the respective directors are employed.



## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 5 Income tax expense

	<b>Period to 31 December 2009 £'000</b>
Current tax on loss for the period	-
Deferred tax charge for the period	-
<b>Income tax credit / (expense)</b>	<b>-</b>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for the following reasons

	<b>Period to 31 December 2009 £'000</b>
<b>Loss before tax</b>	<b>506</b>
Tax credit calculated at the standard rate of corporation tax (28%)	142
Tax effects of	
- Pre-trading expenditure for which no deferred income tax asset was recognised	(142)
<b>Tax credit / (expense)</b>	<b>-</b>

## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 6 Property, plant and equipment

	Leasehold Land	Freehold land	Total
	£'000	£'000	£'000
<b>Cost</b>			
Balance at incorporation	-	-	-
Additions	13,800	9,905	23,705
<b>At 31 December 2009</b>	<b>13,800</b>	<b>9,905</b>	<b>23,705</b>
<b>Accumulated Depreciation</b>			
Balance at incorporation	-	-	-
Charge for period	-	-	-
<b>At 31 December 2009</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>			
Balance at incorporation	-	-	-
<b>At 31 December 2009</b>	<b>13,800</b>	<b>9,905</b>	<b>23,705</b>

The leasehold and freehold land mainly represents the initial deposits payable following the NDA Land Auction. Further information about the completion payments is contained in note 10

#### 7 Intangible assets

	Development expenditure	Total
	£'000	£'000
<b>Cost</b>		
Balance at incorporation	-	-
Additions	564	564
<b>At 31 December 2009</b>	<b>564</b>	<b>564</b>
<b>Accumulated Amortisation</b>		
Balance at incorporation	-	-
Charge for period	-	-
<b>At 31 December 2009</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>		
Balance at incorporation	-	-
<b>At 31 December 2009</b>	<b>564</b>	<b>564</b>

## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 8 Share capital

	Number of shares issued '000	Ordinary shares £'000
Proceeds from shares issued	23,000	23,000
<b>Balance at 31 December 2009</b>	<b>23,000</b>	<b>23,000</b>

The total authorised number of ordinary shares is 1,000,000,000 shares of £1.00 each. The issued and paid ordinary share capital is 23,000,001 shares.

The Company issued 1 ordinary share of £1.00 on incorporation of the Company, on 6 February 2009, to Mitre House Nominees Limited. This share was subsequently transferred to Horizon Nuclear Power Limited, the Company's parent.

The Company issued 9,200,000 ordinary shares of £1.00 each on 30 April 2009 to Horizon Nuclear Power Limited as an initial funding injection at the time of the NDA Land Auction.

The Company issued 13,800,000 ordinary shares of £1.00 each on 6 May 2009 to Horizon Nuclear Power Limited as a further funding injection following the completion of the NDA Land Auction.

#### 9 Trade and other payables

	31 December 2009 £'000
Trade payables due to related parties (see note 11)	1,343
Accrued expenses	432
<b>Trade and other payables</b>	<b>1,775</b>

#### 10 Commitments, contingent assets and contingent liabilities

The Company has the following commitments:

*(a) Grid Connection Agreement commitment*

The Company has a Grid Connection Agreement with National Grid Electricity Transmission ("NGET") at Wylfa. Under the terms of the agreement, the Company is liable for the estimated costs incurred by NGET if the agreement is cancelled. NGET estimate these costs on a 6-monthly basis, and at the end of the period, the Company was liable to an estimated commitment of £1,081,000. At the date of the signing of the financial statements the Company was liable to an estimated commitment of £4,393,000.

## Horizon Nuclear Power Wylfa Limited

### Notes to the Financial Statements for the period 6 February 2009 to 31 December 2009 (continued)

#### 10 Commitments, contingent assets and contingent liabilities (continued)

##### (b) Capital commitments

Capital expenditure contracted for at the end of the period but contingent on a number of conditions is as follows

	31 December 2009 £'000
<i>Contingent Assets</i>	
Leasehold land	124,200
Freehold land	93,250
<b>Total</b>	<b><u>217,450</u></b>
<i>Contingent Liabilities</i>	
Balance due to NDA in respect of Leasehold land	(124,200)
Balance due to EdF in respect of Freehold land	(82,800)
Balance due to RWE npower plc in respect of Freehold land	(10,450)
<b>Total</b>	<b><u>(217,450)</u></b>

Under the terms of the NDA Land Auction, the Company has a contingent liability in respect of its land holdings at Wylfa. Subject to the satisfactory completion of certain conditions precedent, the Company is liable to pay the final payment of £207,000,000 plus an associated interest indexation payment and stamp duty land-tax. The timing of this payment is uncertain.

Under the terms of the Joint Venture Agreement ("JVA") between the Ultimate Shareholders the completion of the NDA land purchase triggers the transfer of certain assets from RWE npower plc to the Company. These assets include a number of parcels of land approximate to the NDA land with a value of £10,450,000 inclusive of fees and stamp duty land-tax. The timing of these payments is uncertain.

#### 11 Related party transactions

The Company has received assistance from its affiliate, Horizon Nuclear Power Services Limited during the period for various operational and support activities.

The balances with Horizon Nuclear Power Services Limited are due on demand.

	31 December 2009 £'000
<i>Value of the services purchased during the period</i>	
- from Horizon Nuclear Power Services Limited	1,343
<i>Period-end balance arising from purchases of services</i>	
- from Horizon Nuclear Power Services Limited	1,343