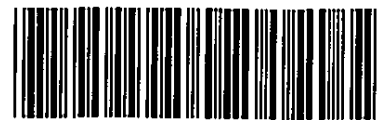


Horizon Nuclear Power Wylfa Limited

Annual Report and Financial Statements
for the fifteen months to 31 March 2013

Registered Number 06811987

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Horizon Nuclear Power Wylfa Limited

Annual Report and Financial Statements for the fifteen months to 31 March 2013

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Directors

Stephen Gomersall
Masaharu Hanyu
Tatsuro Ishizuka

Duncan Hawthorne
Sang Hoon Lee

(appointed 13 May 2013)

(appointed 13 May 2013)

Company Secretary

Alex Rippon

Auditor

Ernst & Young LLP
The Paragon
Counterslip
BRISTOL
BS1 6BX

Registered Office

5210 Valiant Court
Gloucester Business Park
Delta Way
Gloucester GL3 4FE

Horizon Nuclear Power Wylfa Limited

Directors' report for the fifteen months to 31 March 2013

The directors present their report and the audited financial statements of the Company for the fifteen months ended 31 March 2013 (the "Period")

Principal activities and review of the business, including subsequent events

Principal Activities

The principal activity of Horizon Nuclear Power Wylfa Limited ("Horizon" or 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. It will continue with these activities for the foreseeable future. The Company is a fully owned subsidiary of Horizon Nuclear Power Limited (the "Shareholder")

Review of business

During the Period, the Company has continued to develop Wylfa towards obtaining the necessary consents to construct and operate a new nuclear power plant. Going forward the Company will continue to develop the site at Wylfa, as well as considering investments in alternative low carbon electricity generation.

Company sale and acquisition

On 29 March 2012, the Company's previous ultimate shareholders, RWE npower plc and E.ON UK plc, announced that they did not intend to continue nuclear development in the UK, and consequently the Company was put up for sale. Following a comprehensive sales process, the Company was acquired on 22 November 2012 by Hitachi, Limited (the "Ultimate Shareholder"), a Japanese multinational conglomerate.

In order to align the accounting period of the Company with that of the Ultimate Shareholder, the Company has amended its accounting reference date from 31 December to 31 March. Consequently, these financial statements are prepared for the fifteen month period ended 31 March 2013.

Site development

During the Period, the Company has continued to develop its site towards obtaining the necessary consents to construct and operate new nuclear power plants. These activities have particularly focused on the continuation of key environmental and ecological studies necessary to support a future application to develop the site for the construction of a power plant. In addition, the Company concluded the acquisition of a number of land transactions at the site to support the future development of the site.

Generic Design Assessment

Horizon, through Hitachi-GE Nuclear Energy, Limited ("HGNE"), will employ Hitachi's Advanced Boiling Water Reactor ("ABWR") design at the Wylfa site. In January 2013, the Minister of State for Energy asked the Office for Nuclear Regulation ("ONR") and Environment Agency ("EA") to undertake a Generic Design Assessment ("GDA") of the ABWR, and in April 2013, the ONR, EA and HGNE signed various agreements marking the commencement of the GDA process.

Subsequent events following the reporting period end

On 15 May 2013 the Company signed a contract with HGNE which established the framework for design work for the Wylfa site.

Horizon Nuclear Power Wylfa Limited

Directors' report for the fifteen months to 31 March 2013 (continued)

Going concern basis

The Ultimate Shareholder has confirmed that it will continue to provide funding to meet the financial obligations and liabilities of the Company as they fall due for at least the forthcoming twelve months from the date of approval of these financial statements

Accordingly, the directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements

Key Performance Indicators

The principal key performance indicators the Company applies to manage its activities are cost optimisation and programme management against development milestones

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 plants, 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 develops cash flow forecasts and funding schedules for the Company. The Company is funded by its Shareholder, which is itself funded by the Ultimate Shareholder.

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 exposed to limited foreign exchange risk in the normal course of business.

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.

Charitable and political donations

No charitable or political donations were made by the Company during the Period (2011: £nil).

Employees

The Company has no employees.

Horizon Nuclear Power Wylfa Limited

Directors' report for the fifteen months to 31 March 2013 (continued)

Results and dividends

In line with expectations, the Company recorded a loss of £7,193k (2011 loss of £13,090k) during the Period covered by these financial statements. The Company's total asset position as at 31 March 2013 was £307,608k (2011 £308,421k)

The directors do not propose a dividend for the Period ended 31 March 2013 (2011 £nil)

Directors and their interests

The directors who held office during the period to the date of sale to Hitachi, Limited were

Ralf Guedner	Jason Clarke
Joern-Enk Mantz	Paul Cowling
Kevin McCullough	Ruediger Koenig
Derek Parkin	Willibald Kohlpainter
Fiona Stark	Sara Vaughan
Frank Weigand	

Each director listed above resigned on 23 November 2012 following the sale of the Company and had no interest in the shares of the Company or its shareholder

The following individuals were appointed as director following the acquisition of the Company by Hitachi, Limited

Stephen Gomersall	(appointed 23 November 2012)
Masaharu Hanyu	(appointed 23 November 2012)
Tatsuro Ishizuka	(appointed 23 November 2012)
Duncan Hawthorne	(appointed 13 May 2013)
Sang Hoon Lee	(appointed 13 May 2013)

Each director has no interest in the shares of the Company, and received no salary or emoluments from the Company during the Period

Horizon Nuclear Power Wylfa Limited

Directors' report for the fifteen months 31 March 2013 (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, each director in office at the date the directors' report is approved, confirms 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 resigned as auditors on 28 January 2013 and in accordance with section 519 of the Companies Act 2006, confirmed that there are no circumstances that should be brought to the attention of the Company's shareholder or creditors.

The appointment of Ernst and Young as auditors was approved by the board on 21 January 2013 and they 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 financial statements are laid.

By Order of the Board


25 June 2013 SANG HOON DAVID LEE

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 fifteen months ended 31 March 2013 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flow, the Statements of Changes in Equity and the related notes 1 to 14. 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.

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 set out on pages 5, 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 March 2013 and of its loss 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.

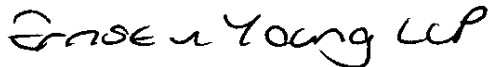
Horizon Nuclear Power Wylfa Limited

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



Jane Barwell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

25 June 2013

Horizon Nuclear Power Wylfa Limited

Statement of comprehensive income for the fifteen months to 31 March 2013

	<i>Note</i>	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Other operating income		92	-
Operating costs	2	(1,054)	(13,090)
Exceptional operating costs	3	(6,228)	-
Operating loss, being loss before tax		(7,190)	(13,090)
Tax on ordinary activities	6	(3)	-
Loss for the Period, attributable to equity shareholder		(7,193)	(13,090)
Total comprehensive loss for the Period, attributable to equity shareholder		(7,193)	(13,090)

All amounts relate to continuing operations

The notes on pages 12 to 22 form an integral part of these financial statements

Comparative figures are shown for the year to 31 December 2011


Horizon Nuclear Power Wylfa Limited

Statement of financial position as at 31 March 2013

	Note	31 March 2013 £'000	31 December 2011 £'000
Assets			
Non-current assets			
Property, plant and equipment	7	279,668	278,429
Intangible assets	8	27,674	29,530
		307,342	307,959
Current Assets			
Trade and other receivables		-	24
Cash and cash equivalents		266	438
		266	462
Total assets		307,608	308,421
Equity and liabilities			
Equity attributable to shareholder			
Share capital	9	293,000	273,000
Retained earnings		(26,580)	(19,387)
Total equity		266,420	256,613
Liabilities			
Current liabilities			
Trade and other payables	10	40,176	53,799
Current income tax liabilities		3	-
Provisions	13	1,009	1 009
Total liabilities		41,188	54,808
Total equity and liabilities		307,608	308,421

The notes on pages 12 to 22 form an integral part of these financial statements

The financial statements on pages 8 to 22 were approved by the Board of Directors on 25 June 2013 and signed on its behalf by


Director
25 June 2013

SANG HOON DAVID LEE

Horizon Nuclear Power Wylfa Limited
Registered Number 06811987

Horizon Nuclear Power Wylfa Limited

Statement of changes in equity for the fifteen months to 31 March 2013

	<i>Note</i>	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 31 December 2011		273,000	(19,387)	253,613
Loss for the Period		-	(7,193)	(7,190)
Issue of share capital	<i>8</i>	20,000	-	20,000
Balance at 31 March 2013		293,000	(26,580)	266,420

Comparative figures are shown below for the year to 31 December 2011

	<i>Note</i>	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 31 December 2010		23,000	(6,297)	16,703
Loss for the year		-	(13,090)	(13,090)
Issue of share capital	<i>8</i>	250,000	-	250,000
Balance at 31 December 2011		273,000	(19,387)	253,613

The notes on pages 12 to 22 form an integral part of these financial statements

Horizon Nuclear Power Wylfa Limited

Statement of cash flow for the fifteen months to 31 March 2013

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Cash flows from operating activities		
Loss for the Period	(7,190)	(13,090)
Depreciation	58	1
Adjustment for impairment of non-current assets	6,228	-
Decrease/(increase) in receivables	24	(24)
(Decrease)/increase in payables	(13,623)	38,150
Net cash (used in) / generated from operating activities	(14,503)	25,037
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,297)	(253,629)
Purchases of intangible assets	(4,372)	(20,970)
Net cash used in investing activities	(5,669)	(274,599)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	20,000	250,000
Net cash generated from financing activities	20,000	250,000
Net (decrease)/increase in cash and cash equivalents	(172)	438
Cash and cash equivalents at beginning of Period	438	-
Cash and cash equivalents at end of Period	266	438

The notes on pages 12 to 22 form an integral part of these financial statements

Comparative figures are shown for the year to 31 December 2011

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 International Financial Reporting Interpretations Committee (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 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 where appropriate.

Going Concern

The Ultimate Shareholder has confirmed that it will continue to provide funding to meet the financial obligations and liabilities of the Company as they fall due for at least the forthcoming twelve months from the date of approval of these financial statements.

Accordingly, the directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

Foreign currency translation

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

Foreign currency transactions are recorded at the exchange rate prevailing at the date of the transaction 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 statement of comprehensive income within other expenses.

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

1 Accounting policies (continued)

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 statement of comprehensive income during the financial period in which they are incurred.

Freehold land and long leasehold land is not depreciated. The Company's long leasehold land is leased over 999 years, and therefore it is seen fit to treat it consistently with freehold land. 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:

Buildings	40 years
Vehicles	4 years

Intangible assets

Development expenditure incurred by the Company that clearly supports the on-going programme to obtain the necessary site licence and consents to build and subsequently operate a nuclear power plant is capitalised as an intangible asset.

All other development expenditure that does not meet the criteria is 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 plant becomes operational.

Impairment

At each reporting period end date and throughout the year the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In this event, the recoverable amount of the asset is estimated to determine the extent of the loss, and any impairment loss is recognised immediately in the statement of comprehensive income for the financial period.

Cash and cash equivalents

Cash and cash equivalents represent cash in hand and at bank, and cash held to the Company's order within its agents' accounts, for example solicitors and land agents.

Share capital

Ordinary shares are classified as equity.

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

1 Accounting policies (continued)

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. If not, they are presented as non-current liabilities.

Provisions

Provisions are recognised when, the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

Current and deferred income tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting period end date in the United Kingdom. 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 reporting period end 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.

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

1 Accounting policies (continued)

Recent accounting developments

The following standards, amendments and interpretations became effective for the first time for the year beginning 1 January 2012 but either have no material impact or are not relevant to the Company

Amendments to IFRS 1	Severe Hyperinflation
Amendments to IFRS 1	Removal of Fixed Dates for first time adopters
Amendments to IFRS 7	Disclosures – Transfers of Financial Assets
Amendments to IFRS 12	Deferred Tax – recovery of underlying Assets

At the date of the approval of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective

Amendments to IFRS 7	Disclosures – Transfers of Financial Assets
IFRS 9	Financial Instruments
Amendments to IAS 12	Deferred Tax – recovery of Underlying Assets
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of interest in Other Entities
IFRS 13	Fair value Measurement
IAS 27	Separate Financial Statements
IAS 28	Investments in Associates and Joint ventures
IAS 19 (as revised in 2011)	Employee Benefits

The Company has considered the above new standards, interpretations and amendments to published standards that are not yet effective

Financial risk factors

Details about the Company's assessment of financial risk factors are included within the Directors' Report on pages 2 to 5

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 statement of financial position, 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 reporting period end date. Although management uses its best estimates and judgements, actual results could differ from these estimates as future confirming events occur

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

2 Operating costs

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Depreciation	58	1
Other expenses	996	13,089
Total operating costs	1,054	13,090

3 Exceptional operating costs

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Impairment of intangible non-current assets	6,228	-
Total exceptional operating costs	6,228	-

As part of a regular impairment review, and following the sale of the Company to Hitachi, Limited, management have ascertained that specific assets totalling £6,228k hold no enduring value to the business (note 8)

4 Auditors' remuneration

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Fees payable to the Company's auditor for the audit of the financial statements	9	9

5 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 the Company during the Period

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

6 Tax on ordinary activities

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Current tax on loss for the Period	3	-
Deferred tax charge for the Period	-	-
Income Tax expense	3	-

	Fifteen months to 31 March 2013 £'000	Year to 31 December 2011 £'000
Loss before tax	(7,190)	(13,090)
Tax credit calculated at standard rate of corporation tax of 24.4% (2011 small profits rate of corporation tax of 20.25%)	(1,754)	(2,651)
Tax effects of - Pre-trading expenditure for which no deferred income tax asset was recognised	1,757	2,651
Tax expense	3	-

At the reporting period end date the Company has pre-trading expenditure carried forward of £26,528k (2011 £19,325k) on which no deferred tax has been recognised

The 2012 UK Budget (delivered on 21 March 2012) reduced the main rates of UK corporation tax by 1% to 24%, with effect from 1 April 2012. Additionally, a further reduction in the corporation tax rate to 23% effective from 1 April 2013, was substantively enacted on 3 July 2012.

Further reductions in the main tax rate to 21% from 1 April 2014 and 20% from 1 April 2015 were announced in the UK Government's 2012 Autumn Statement and the 2013 UK Budget respectively. However, these further reductions to the tax rate were not substantively enacted at the reporting period end date and are therefore not reflected in these financial statements.

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

7 Property, plant and equipment

	Freehold land £'000	Leasehold land £'000	Freehold buildings £'000	Vehicles £'000	Total £'000
Cost					
Balance at 31 December 2011	117,341	161,072	-	17	278,430
Additions	422	252	623	-	1,297
Balance at 31 March 2013	117,763	161,324	623	17	279,727
Accumulated Depreciation					
Balance at 31 December 2011	-	-	-	(1)	(1)
Charge for Period	-	-	(53)	(5)	(58)
Balance at 31 March 2013	-	-	(53)	(6)	(59)
Net book value					
Balance at 31 December 2011	117,341	161,072	-	16	278,429
Balance at 31 March 2013	117,763	161,324	570	11	279,668

Certain freehold buildings acquired during the year have been assessed as having a limited economic life and are depreciated over 10 years

Comparative figures are shown below for the year to 31 December 2011

	Freehold land £'000	Leasehold land £'000	Vehicles £'000	Total £'000
Cost				
Balance at 31 December 2010	11,001	13,800	-	24,801
Additions	106,340	147,272	17	253,629
Balance at 31 December 2011	117,341	161,072	17	278,430
Accumulated Depreciation				
Balance at 31 December 2010	-	-	-	-
Charge for year	-	-	(1)	(1)
Balance at 31 December 2011	-	-	(1)	(1)
Net book value				
Balance at 31 December 2010	11,001	13,800	-	24,801
Balance at 31 December 2011	117,341	161,072	16	278,429

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

8 Intangible assets

	Development expenditure £'000	Total £'000
Cost		
Balance at 31 December 2011	29,530	29,530
Additions	4,372	4,372
Impairment (note 3)	(6,228)	(6,228)
Balance at 31 March 2013	27,674	27,674
Accumulated Amortisation		
Balance at 31 December 2011	-	-
Charge for Period	-	-
Balance at 31 March 2013	-	-
Net book value		
Balance at 31 December 2011	29,530	29,530
Balance at 31 March 2013	27,674	27,674

Comparative figures are shown below for the year to 31 December 2011

	Development expenditure £'000	Total £'000
Cost		
Balance at 31 December 2010	8,560	8,560
Additions	20,970	20,970
Balance at 31 December 2011	29,530	29,530
Accumulated Amortisation		
Balance at 31 December 2010	-	-
Charge for year	-	-
Balance at 31 December 2011	-	-
Net book value		
Balance at 31 December 2010	8,560	8,560
Balance at 31 December 2011	29,530	29,530

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

9 Share capital

	Number of shares issued '000	Ordinary shares £'000
Balance at 31 December 2011	273,000	273,000
Issue of share capital	20,000	20,000
Balance at 31 March 2013	293,000	293,000

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 293,000,001 shares.

The Company issued 20,000,000 ordinary shares during the Period for £20,000k.

Comparative figures are shown below for the year to 31 December 2011.

	Number of shares issued '000	Ordinary shares £'000
Balance at 31 December 2010	23,000	23,000
Issue of share capital	250,000	250,000
Balance at 31 December 2011	273,000	273,000

10 Trade and other payables

	31 March 2013 £'000	31 December 2011 £'000
Amounts due to related parties (see note 12)	40,163	53,679
Accrued expenses and deferred income	13	120
Trade and other payables	40,176	53,799

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

11 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 31 March 2013, the Company was liable to an estimated commitment of £14,402k.

At the time of the signing of these financial statements, this liability is £1,691k for the period April 2013 to September 2013. The reduction in liability is caused by NGET's change in methodology in calculating the liability, effective from April 2013. The works which NGET undertake to connect new power stations is now split into two categories, attributable works and wider works. The liability for the wider works does not have to be secured by the generator until four years prior to commissioning.

(b) Capital commitments

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

	31 March 2013 £'000	31 December 2011 £'000
<i>Contingent Assets</i>		
Freehold land	10,812	3,169
Total	10,812	3,169
<i>Contingent Liabilities</i>		
Balance due to third parties in respect of freehold land	(10,812)	(3,169)
Total	(10,812)	(3,169)

The Company has entered into further land transactions which give rise to contingent liabilities and associated contingent assets. The Company is liable to pay up to £10,812k (2011: £3,169k) upon exercise of land options to third parties in consideration of the freehold land. The timing of these payments is uncertain.

Horizon Nuclear Power Wylfa Limited

Notes to the financial statements for the fifteen months to 31 March 2013 (continued)

12 Related party transactions

A number of costs incurred by the Company during the Period were paid for on its behalf and subsequently recharged by its affiliate, Horizon Nuclear Power Services Limited

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

	31 March 2013 £'000	31 December 2011 £'000
<i>Value of costs transferred during the Period</i>		
- from Horizon Nuclear Power Services Limited	6,584	37,021
<i>Period-end balance arising from transfer of costs</i>		
- from Horizon Nuclear Power Services Limited	40,163	53,679

13 Provisions

During the Period the Company entered into a number of property transactions which attract future payments of uncertain timing and/or amount. These have been provided for and represent either payments which are payable on relocation of the vendor, or overage payments that are payable upon the Company obtaining a Development Consent Order ("DCO")

	31 March 2013 £'000	31 December 2011 £'000
Payments due on relocation	173	173
Overage payments due upon DCO	836	836
Total	1,009	1,009

14 Ultimate parent undertaking

The immediate parent undertaking and smallest group to consolidate these financial statements is Horizon Nuclear Power Limited. Copies of Horizon Nuclear Power Limited consolidated financial statements can be obtained from 5210 Valiant Court, Gloucester Business Park, Delta Way, GL63 4FE

The ultimate parent undertaking and largest group to consolidate these financial statements is Hitachi, Limited incorporated in Japan. Copies of Hitachi, Limited consolidated financial statements can be obtained from 6-6, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, 100-8280 Japan