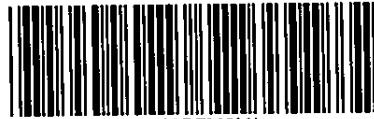


Chantrey Vellacott DFKLLLP

TUESDAY



AV4C7M8M

A27

03/08/2010

407

COMPANIES HOUSE

DCUSA Limited
Financial statements
31 March 2010

DCUSA Limited

Financial statements

Year ended 31 March 2010

Contents	Pages
Company information	1
Directors' report	2
Corporate governance statement	3 to 4
Statement of directors' responsibilities	5
Independent auditor's report to the shareholders	6
Income and expenditure account	7
Balance sheet	8
Notes to the financial statements	9 to 10

DCUSA Limited

Company information

Board of directors

G D Sheern (Chairman)
C J Allanson
M J Harding
J M Hill
J Lawton
D Townsend
P J Waymont
K Woollard
J Thompson
S Pearce

Company secretary

B O'Shea

Registered office

Ground Floor
Grafton House
2-3 Golden Square
LONDON
W1F 9HR

Auditor

Chantrey Vellacott DFK LLP
Chartered Accountants
Registered Auditor
Russell Square House
10 - 12 Russell Square
London
WC1B 5LF

Chantrey Vellacott DFK LLP

DCUSA Limited

Directors' report

Year ended 31 March 2010

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 March 2010

Principal activities

The principal activity of the company during the year was to facilitate a robust governance arrangement for making changes to the contractual arrangements between electricity suppliers and electricity distribution network providers within the electricity industry

The company was created as the corporate vehicle for ensuring the proper, effective and efficient implementation and ongoing management of the Distribution Connection and Use of System Agreement (DCUSA) This responsibility extends to the provision of a change control mechanism

The company was established as a joint venture between the parties to the DCUSA agreement, and all parties to the agreement are entitled to apply for a share in the company

The objective of the company is to bear the costs of the management of the DCUSA including the operation of the change control mechanism and for these costs to be fully recovered from the parties to the DCUSA on an equitable basis so that the company breaks even

Directors

The directors who served the company during the year were as follows

G D Sheern	Chairman
C J Allanson	
L Gibb	(resigned 01/12/2009)
M J Harding	
J M Hill	
J Lawton	
J Lees	(resigned 01/01/2010)
R McGlynn	(resigned 01/12/2009)
D Townsend	
P J Waymont	
K Woollard	(appointed 01/12/2009)
J Thompson	(appointed 01/12/2009)
S Pearce	(appointed 20/01/2010)

The directors have no interest in the share capital of the company

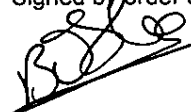
Auditor

Chantrey Vellacott DFK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors



B O'Shea
Company Secretary

Approved by the directors on 16 June 2010

DCUSA Limited

Corporate governance statement

Year ended 31 March 2010

DCUSA Limited fully supports the report of the Committee on Corporate Governance and that Committee's Revised Combined Code of Best Practice. It welcomes the Committee's guidance on internal control and the going concern basis for preparing annual accounts.

The guidance is regarded as mandatory for listed companies registered in the UK. Whilst DCUSA Limited does not fall within the regulations of the London Stock Exchange, being a private company, the Board is committed to the highest standards of corporate governance.

Going Concern

The Board confirms that, after making appropriate enquiries, it is of the opinion that DCUSA Limited has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing these accounts.

General

The Board comprises ten members, all of whom are non-executive. The directors are appointed automatically through their appointment as either Panel Members or Panel Reserves. The Board's principal focus is the ongoing strategic direction, development and operation of DCUSA Limited. The Board is also responsible for the company's overall system of internal controls.

The Board normally meets every month and has constituted a Finance and Audit Committee. All standing committees are formally constituted with terms of reference and are constituted from at least three members of the Board of directors.

Finance and Audit Committee

The Finance and Audit Committee assists the Board in the execution of its responsibilities on corporate governance and internal control. Its members are C J Allanson, G Sheern and P J Waymont.

The Finance and Audit Committee reviews the company's internal controls structure, appoints the external auditors, reviews the external audit process and reports from the external auditors on their work, and approves the audit fees. It monitors the effectiveness of the company's internal controls function, and reviews the company's financial statements and proposed announcements, together with adopting the accounting policies and any subsequent changes, prior to approval by the Board.

The DCUSA Panel

The Panel is a body established under Clause 5 of the DCUSA Agreement. Clause 5 identifies the objectives, duties and powers of the Panel. The Panel is the representative body for the Parties to the Agreement and undertakes the detailed management and operation of the DCUSA Agreement on behalf of the Parties to the Agreement. The Panel as constituted at the balance sheet date comprises five members plus five reserves. All of the Panel Members and Reserves are Directors of DCUSA Ltd.

The Panel Members are elected to represent the following Party Categories, Distribution Network Operators, Independent Distribution Network Operators/Offshore Transmission System Operator, Suppliers and Distributed Generators. The Panel normally meets every month.

Internal Controls

The Board acknowledges its responsibility for the systems of internal control within DCUSA Limited and for ensuring these systems maintain the integrity of accounting records and safeguard its assets. The purpose of these systems is to provide reasonable assurance as to the reliability of financial information and to maintain proper control over income, expenditure, assets and liabilities of DCUSA Limited. No system of control can, however, provide absolute assurance against material misstatement or loss. The Board's review of the effectiveness of DCUSA Limited's systems of internal control is an ongoing process, where controls are not in place the Board agrees and reviews a timetable for implementation.

A brief description of the principal elements underlying DCUSA Limited's systems of internal control follows.

DCUSA Limited

Corporate governance statement (*continued*)

Year ended 31 March 2010

Financial Reporting

There is a comprehensive business planning system with an annual operating plan and annual budget reviewed and recommended to the Board by the Finance and Audit Committee. The annual budget is also subject to scrutiny and consultation with all DCUSA parties. Monthly actual results are reported against budget and revised forecasts for the year are prepared. The Finance and Audit Committee meet at least twice every financial year and on an ad hoc basis as required to consider matters which are time critical. The Board has sight of the minutes of all Finance and Audit Committee meetings.

Risk Management

DCUSA Limited's Board examine on a continual basis the major strategic, business and operational risk that DCUSA Limited faces and have established a system that ensures that risks are reviewed and reported regularly, and that appropriate action is in place to mitigate the significant risks.

Controls and Procedures

Under the contract for Secretarial and Administrative Services with ElectraLink Limited, DCUSA Limited sets out authorities delegated from the Board to ElectraLink Limited. The DCUSA Limited Board has established a strong control framework within which ElectraLink Limited operates including clearly defined lines of responsibility, delegation of authority and reporting requirements and maintains a comprehensive set of financial regulations. The financial controls and procedures are reviewed regularly and compliance with them verified by the work of the auditors.

Monitoring of Controls

The Board continues to review DCUSA Limited's accounting and financial reporting practices, its internal financial controls, the work of the auditors and compliance with all relevant legislation and to take the appropriate action to deal with areas of improvement which come to the Board's attention.

DCUSA Limited

Statement of directors' responsibilities

Year ended 31 March 2010

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

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

Insofar as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DCUSA Limited

Independent auditor's report to the shareholders of DCUSA Limited

Year ended 31 March 2010

We have audited the financial statements of DCUSA Limited for the year ended 31 March 2010 which comprise the income and expenditure account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state 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 shareholders 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 page 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 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 (APB'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 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 March 2010 and of its surplus for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



CHRIS MALACRIDA FCA (Senior Statutory Auditor)
for and on behalf of **CHANTREY VELLACOTT DFK LLP**
Chartered Accountants and Statutory Auditor
London

16 June 2010

DCUSA Limited

Income and expenditure account

Year ended 31 March 2010

	Notes	2010 £	2009 £
Income		212,472	157,736
Administrative expenses		(212,472)	(161,367)
Interest receivable		-	3,631
Surplus on ordinary activities before taxation		-	-
Tax on surplus on ordinary activities	3	-	-
Surplus for the financial year		-	-

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

There is no difference between the results shown above and their historical cost equivalents

Chantrey Vellacott DFKLLLP

The notes on pages 9 and 10 form part of these financial statements

DCUSA Limited

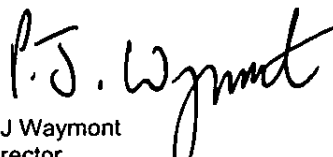
Balance sheet

As at 31 March 2010

	Note	2010 £	2009 £
Current assets			
Debtors	4	3,907	2,190
Cash at bank		89,836	180,232
		<u>93,743</u>	<u>182,422</u>
Creditors amounts falling due within one year	5	<u>(93,689)</u>	<u>(182,369)</u>
Net current assets		<u>54</u>	<u>53</u>
Total assets less current liabilities		<u>54</u>	<u>53</u>
Capital and reserves			
Called up equity share capital	6	<u>54</u>	<u>53</u>
Shareholders' funds	7	<u>54</u>	<u>53</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the Board and authorised for issue on 16 June 2010 and were signed on its behalf by


P J Waymont
Director

The notes on pages 9 and 10 form part of these financial statements.

DCUSA Limited

Notes to the financial statements

For the year ended 31 March 2010

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice)

Income

This represents the value of recoverable costs borne by the company during the year under the Distribution Connection and Use of System Agreement (DCUSA) and recoverable from the parties to the agreement

Where a party to the agreement has been invoiced on account during the year for a sum greater than their share of the recoverable costs this amount is included in creditors as other creditors, and where a party's share of recoverable costs exceeds their payment on account the balance is included in debtors as accrued income

Amounts invoiced on account to parties for the following accounting year are not recognised as income in the financial statements and are included in creditors as deferred income

2 Operating surplus

Operating surplus is stated after charging

	2010 £	2009 £
Auditor's remuneration		
- audit	4,800	4,625
- other non-audit services	950	2,500
	<u>5,750</u>	<u>7,125</u>

The directors received no remuneration from the company during the year

3 Taxation

There is no tax liability for the period and there are no losses to carry forward

4 Debtors

	2010 £	2009 £
Trade debtors	-	169
VAT recoverable	3,907	2,021
	<u>3,907</u>	<u>2,190</u>

DCUSA Limited

Notes to the financial statements

For the year ended 31 March 2010

5. Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	23,003	17,931
Other creditors	49,528	141,772
Accruals and deferred income	21,158	22,666
	<u>93,689</u>	<u>182,369</u>

6 Share capital

Authorised share capital	2010 £	2009 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid.		
	2010 £	2009 £
54 (2009 53) Ordinary shares of £1 each	<u>54</u>	<u>53</u>

During the year 1 share holding member ceased to be a party to the DCUSA agreement Accordingly 1 ordinary share of £1 was transferred to a new party In addition, 1 new share was issued The shares were issued to parties to the DCUSA agreement in accordance with the terms of that agreement

7 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Opening shareholders' funds	53	53
New ordinary share capital subscribed	1	-
	<u>54</u>	<u>53</u>

8. Control

No one party has ultimate control of the company by virtue of its shareholding