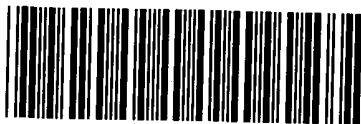


DCUSA LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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COMPANIES HOUSE

DCUSA LIMITED

COMPANY INFORMATION

Directors	S Yeo S Pearce P J Waymont K Wollard L Mallon (resigned 1 December 2015) M Lalli J Lawton A Travell A Pearce (resigned 17 July 2015) J Haughey (appointed 1 December 2015) T Cage (appointed 1 December 2015) L Mair (appointed 25 June 2015)
Registered number	05812381
Registered office	Ground Floor Grafton House London W1F 9HR
Independent auditors	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

DCUSA LIMITED

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DCUSA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

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

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

S Yeo
S Pearce
P J Waymont
K Wollard
L Mallon (resigned 1 December 2015)
M Lalli
J Lawton
A Travell
A Pearce (resigned 17 July 2015)
J Haughey (appointed 1 December 2015)
T Cage (appointed 1 December 2015)
L Mair (appointed 25 June 2015)

Results and dividends

The profit for the year amounted to £nil (2015 - £nil). The directors do not recommend payment of a dividend.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Future developments

Distribution Connection and Use of System Agreement (DCUSA) is a multi-party agreement between the UK's electricity distributors, suppliers and generators. It is concerned with the use of the electricity distribution systems to transport electricity to or from connections to them, providing a common and consistent approach to the relationships between these parties. It is a requirement that all licensed electricity Distribution Businesses and Suppliers become Parties to the DCUSA.

The Theft Risk Assessment Service, a dual-fuel service supporting the gas and electricity industries in the identification of energy theft, went into normal operations phase on 1st April 2016 following successful completion of handover testing. The ongoing operation of the service is seen as an important feature of the energy market addressing energy theft in the coming years.

During 2016, DCUSA will continue to participate actively in industry initiatives such as Code Governance Review and Central Registration Service.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15-Jun-2016 and signed on its behalf.



Gordon Drake
Secretary

DCUSA LIMITED

CORPORATE GORVERNANCE STATEMENT

DCUSA is committed to maintaining high standards of corporate governance throughout its activities. The company is a private limited company and is not subject to the corporate governance principles and practice set out in the UK Corporate Governance Code ("Code") as incorporated in the UK Listing Authority Listing Rules. However, the Board has adopted those provisions in the Code on corporate governance and in respect of the conduct of audit committees which the directors consider appropriate for the company.

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 is comprised of ten members, all of whom are non-executive. The directors are appointed through their position 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 J Lawton, K Woollard, P J Waymont and A Travell.

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. All of the Panel Members and Reserves are Directors of DCUSA Limited.

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 on a monthly basis.

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.

CORPORATE GORVERNANCE STATEMENT

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 forecasts for the year are prepared on a quarterly basis for review and approval of the Board. The Finance and Audit Committee meet at least twice every financial year and on an ad hoc basis as required to consider matters requiring urgent attention. 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 is checked by the work performed by 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 take the appropriate action to deal with areas of improvement which come to the Board's attention.

DCUSA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DCUSA LIMITED

We have audited the financial statements of DCUSA Limited for the year ended 31 March 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, 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 Financial Reporting Council'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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its results 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 matter 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 and the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DCUSA LIMITED

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Richard Willis (Senior Statutory Auditor)

for and on behalf of
Moore Stephens LLP

Chartered Accountants and Statutory Auditor

150 Aldersgate Street
London
EC1A 4AB
Date:

DCUSA LIMITED
REGISTERED NUMBER: 05812381

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
Turnover		2,281,228	794,017
Gross profit		2,281,228	794,017
Administrative expenses		(2,281,734)	(794,606)
Operating loss	4	(506)	(589)
Interest receivable and similar income	7	506	589
Profit before tax		-	-
Profit for the year		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
Current assets			
Debtors: amounts falling due within one year	8	58,501	57,377
Cash at bank and in hand	9	392,722	177,031
		<u>451,223</u>	<u>234,408</u>
Creditors: amounts falling due within one year	10	(451,165)	(234,350)
Net current assets		<u>58</u>	<u>58</u>
Total assets less current liabilities		<u>58</u>	<u>58</u>
Net assets		<u><u>58</u></u>	<u><u>58</u></u>
Capital and reserves			
Called up share capital	12	58	58
		<u>58</u>	<u>58</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


P Waymont
Director

The notes on pages 7 to 17 form part of these financial statements.

DCUSA LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Share capital	Total equity
	£	£
At 1 April 2015	58	58
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Total transactions with owners	-	-
At 31 March 2016	58	58

DCUSA LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	Share capital	Total equity
	£	£
At 1 April 2014	58	58
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Total transactions with owners	-	-
At 31 March 2015	58	58

DCUSA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 14.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The company has early adopted Financial Reporting Standard 102 Section 1A and has therefore claimed exemption from preparing a cash flow statement.

The following principal accounting policies have been applied:

1.2 Revenue

Revenue represents the value of the 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 agreements has been invoiced on account during the period for a sum greater than their share of recoverable costs 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.

1.3 Debtors

Trade debtors are amounts due from members in respect of their share of costs. Trade and other debtors are recognised at the undiscounted amount of cash receivable, less an provision for unrecoverable amounts.

1.4 Creditors

Short term creditors are measured at the transaction price.

1.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. These are measured at transaction price.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors consider that there are no key judgements or key sources of estimation uncertainty used in the application of the accounting policies.

3. Revenue

All revenue arose within the United Kingdom.

4. Operating loss

The operating loss is stated after charging:

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	<u>9,250</u>	<u>6,000</u>

5. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>9,250</u>	<u>6,000</u>
	<u>9,250</u>	<u>6,000</u>

Fees payable to the Company's auditor and its associates in respect of:

Other services relating to taxation	<u>1,250</u>	<u>1,200</u>
	<u>1,250</u>	<u>1,200</u>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

DCUSA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. Interest receivable

	2016	2015
	£	£
Other interest receivable	506	589
	<u>506</u>	<u>589</u>

8. Debtors

	2016	2015
	£	£
Trade debtors	1,623	44,031
Other debtors	56,878	13,346
	<u>58,501</u>	<u>57,377</u>

DCUSA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	392,722	177,031
	<u>392,722</u>	<u>177,031</u>

10. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	89,295	79,459
Other creditors	104,995	60,518
Accruals	256,875	94,373
	<u>451,165</u>	<u>234,350</u>

DCUSA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	392,722	177,031
Financial assets that are debt instruments measured at amortised cost	58,501	57,377
	<u>451,223</u>	<u>234,408</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(451,165)	(234,350)
	<u>(451,165)</u>	<u>(234,350)</u>

Financial assets measured at amortised cost comprise trade and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

12. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
58- Ordinary shares of £1 each	<u>58</u>	<u>58</u>

13. Controlling party

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

DCUSA LIMITED.

14. First time adoption of FRS 102

Note	As previously stated 1 April 2014 £	Effect of transition 1 April 2014 £	FRS 102 (as restated) 1 April 2014 £	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Current assets	187,418	-	187,418	234,408	-	234,408
Creditors: amounts falling due within one year	(187,360)	-	(187,360)	(234,350)	-	(234,350)
Net current assets	58	-	58	58	-	58
Total assets less current liabilities	58	-	58	58	-	58
Net assets	58	-	58	58	-	58
Capital and reserves	58	-	58	58	-	58

DCUSA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Turnover		794,017	-	794,017
Administrative expenses		(794,606)	-	(794,606)
Operating profit		(589)	-	(589)
Interest receivable and similar income		589	-	589
Loss on ordinary activities after taxation and for the financial year		-	-	-