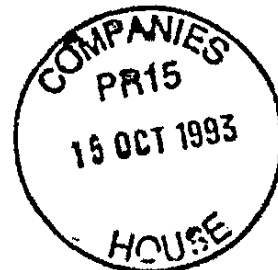


BRITISH GAS PROPERTY HOLDINGS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1992

REGISTRATION NO. 2531489



BRITISH GAS PROPERTY HOLDINGS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 1992

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiary undertakings are to invest in the equity of property investment and development companies and to own land for development.

BUSINESS REVIEW

The Company continued to own 100% holdings in British Gas Land Developments Limited and British Gas Land Investments Limited. During the year the Company reduced its holding in Port Greenwich Limited to 99%.

RESULTS AND DIVIDEND

The Directors do not propose to declare a dividend. There have been no movements in reserves for the year.

THE DIRECTORS

The following served as Directors during the year:-

J H Jackson	(Resigned 16 April 1992)
J D Lowman	(Resigned 16 April 1992)
R Herbert	(Appointed 16 April 1992)
Miss D J Vesty, MBE	(Appointed 16 April 1992)
T M Melvin	(Appointed 16 April 1992)

DIRECTORS' INTERESTS

At no time during the year did any Director still holding office on 31 December 1992 have any beneficial interest in the shares of the Company or any other company within the British Gas group except for the interests in the shares of the parent company, British Gas plc, which are stated below:-

	<u>Beneficial Holdings</u>		<u>Savings Related Share Options</u>	
	<u>31 December 1992</u>	<u>Date of Appointment</u>	<u>31 December 1992</u>	<u>Date of Appointment</u>
Miss D J Vesty, MBE	Nil	Nil	Nil	Nil
T M Melvin	2466	2466	9469	9469

The following Directors have been granted options over shares in the parent company's Executive Share Option Scheme:-

	<u>31 December 1992</u>	<u>Date of Appointment</u>
Miss D J Vesty, MBE	26156	26156
T M Melvin	103855	103855

None of the Directors exercised share options during the year. All options were granted under the terms of the parent company's Savings Related Share Option Scheme and Executive Share Option Scheme, details of which are given in that company's annual report and accounts.

The interests of Mr.R.Herbert, who is a director of the parent company, British Gas plc, are shown in that company's annual report and accounts.

DIRECTORS' INSURANCE

The parent company has maintained insurance to cover all Directors and other Officers against liabilities in relation to the Company.

AUDITORS

A resolution to reappoint the retiring auditors, Price Waterhouse, and to authorise the Directors to fix their remuneration will be proposed at the next general meeting.

By order of the Board:

.....*Sadler*.....

Date *27 September 1993*

JOHN MICHAEL SADLER
Secretary

Registered Office:
Rivernill House
152 Grosvenor Road
London
SW1V 3JL

BRITISH GAS PROPERTY HOLDINGS LIMITED

AUDITORS' REPORT

To the members of British Gas Property Holdings Limited

We have audited the accounts on pages 4 to 6 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 31 December 1992 and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse
Price Waterhouse
Chartered Accountants
and Registered Auditor
Southwark Towers
32 London Bridge Street
London SE1 9SY

Date *27 September 1993*

BRITISH GAS PROPERTY HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1992

	Notes	31 December 1992 £	31 December 1991 £
FIXED ASSETS:			
Investments	4	202	203
OTHER DEBTOR		1	-
CREDITORS (amounts falling due within one year)	5	(3)	(3)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>200</u>	<u>200</u>
CAPITAL AND RESERVES			
Called up Share Capital	6	200	200
		<u>200</u>	<u>200</u>

The accounts on pages 4 to 6 were approved by the Board of Directors on 27 September 1993, and signed on its behalf by:

DRUCILLA JOY VESTY, DIRECTOR

....*Dorey*.....

The accompanying notes on pages 5 and 6 form part of these accounts.

BRITISH GAS PROPERTY HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1992

(1) PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention.

(2) GROUP ACCOUNTS

As the Company is a wholly owned subsidiary of British Gas plc, the subsidiaries of the Company have not been consolidated with these accounts.

(3) PROFIT AND LOSS ACCOUNT

There is no Profit and Loss Account accompanying the Balance Sheet because the Company had no transactions of a revenue or expense nature during the period.

The audit fee will be borne by the ultimate parent company.

The Company has no employees. All of the Directors are employees or a director of British Gas plc. All emoluments paid to the Directors are paid for by British Gas plc for their services to the group as a whole.

(4) FIXED ASSET INVESTMENTS

	31 December 1992	31 December 1991
Shares in Group undertakings	£202	£203

The Company owns 100% of the issued share capital of British Gas Land Investments Limited and British Gas Land Developments Limited and 99% of Port Greenwich Limited. All undertakings are registered in England and Wales. The principal activities of these undertakings are property investment and development, and investment in the equity of property investment and development undertakings.

(5) CREDITORS

	31 December 1992	31 December 1991
	£	£
AMOUNTS FALLING DUE WITHIN ONE YEAR:		
Amounts owed to fellow subsidiary undertakings	3	3

(6) SHARE CAPITAL

	31 December 1992 £	31 December 1991 £
Authorised: 1,000 ordinary shares of £1 each	1,000 —	1,000 —
Issued, allotted and fully paid: 200 ordinary shares of £1 each	200 —	200 —

(7) COMMITMENTS AND CONTINGENCIES

The Company had no contractual commitments or contingencies as at 31 December 1992 (31 December 1991 : Nil).

(8) ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary undertaking of British Gas plc which is registered in England and Wales. Copies of the Group accounts of British Gas plc may be obtained from British Gas plc, 152 Grosvenor Road, London SW1V 3JL.