

Volunteer Energy Group Limited

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Registered No. 2706333

Volunteer Energy Group Limited

Co. number 2706333

Report and Financial Statements

31 December 2001



Volunteer Energy Group Limited

Registered No. 2706333

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Volunteer Energy Group Limited

COMPANY INFORMATION

DIRECTORS

Mr J C Depail
Ms E R Stein
Mr J C Marouby
Mr P Persuy
Mr J M Philippe
Mr M Ollevier

SECRETARY

Mr G J Hermiston

AUDITORS

Ernst & Young LLP
Becket House
1 Lambeth Palace Road
London SE1 7EU

BANKERS

Barclays Bank PLC
50 Pall Mall
London SW1A 1QF

REGISTERED OFFICE

5th Floor
Plaza One
Ironmasters Way
Telford
Shropshire TF3 4NT

Volunteer Energy Group Limited

DIRECTORS' REPORT

31 December 2001

The directors present their report and the financial statements of the company for the year ended 31 December 2001.

Review of the business

The principal activities of the company and the subsidiaries are the purchase, supply and management of natural gas and electricity to industrial and commercial customers.

The company did not trade in the year, and as such has not prepared a Profit and Loss Account.

Results and dividends

The result for the year ended 31 December 2001 was a profit after taxation of £NIL (2000: £NIL).

The directors do not recommend the payment of dividend.

Directors

The directors who served during the year were:

J C Depail (Chairman)
Ms E R Stein
P Persuy
J M Philippe
M Ollevier
J C Marouby

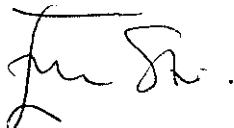
Directors interests in shares

There are no interests requiring disclosure under the Companies Act 1985.

Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

Approved by the Board on
And signed on its behalf by



Emma Stein
Director

31 May 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Company Act 1985. 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.

Volunteer Energy Group Limited

AUDITORS' REPORTS

INDEPENDENT AUDITORS' REPORT to the members of Volunteer Energy Group Limited

We have audited the company's financial statements for the year ended 31 December 2001 which comprise the Balance Sheet, Statement of Total Recognised Gains and Losses, Reconciliation of Shareholders' Funds and the related notes 1 to 11. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Director's Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

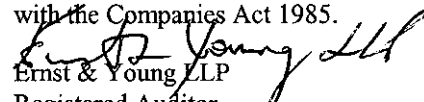
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
London

Date 31 May 2002

Volunteer Energy Group Limited

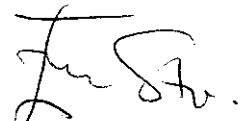
BALANCE SHEET at 31 December 2001

		31 December 2001	31 December 2000
	Notes	£	£
FIXED ASSETS			
Investments	3	3	3
CURRENT ASSETS			
Debtors	4	4,891,674	891,674
CREDITORS: amounts falling due within one year	5	(3)	(3)
NET CURRENT ASSETS		<u>4,891,671</u>	<u>891,671</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>4,891,674</u></u>	<u><u>891,674</u></u>

REPRESENTED BY:

CAPITAL AND RESERVES

Called up share capital	6	5,483,591	1,483,591
Profit and loss account	7	(591,917)	(591,917)
EQUITY SHAREHOLDERS' FUNDS	9	<u>4,891,674</u>	<u>891,674</u>



Emma Stein
Director

31 May 2002 .

Volunteer Energy Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2001

1. ACCOUNTING POLICIES

The accounts have been prepared under the historic cost convention and in accordance with the applicable UK accounting standards. The particular accounting policies adopted are described below:

Basis of preparation

The accounts present information about the company as an individual undertaking and not about its group. The company has taken advantage of the exemption from the obligation to prepare group accounts under Section 228(1) of the Companies Act 1985. The results of its subsidiaries are dealt with in the consolidated accounts of the ultimate parent undertaking, Gaz de France, a company registered in France. The address from which the copies of the group accounts of the ultimate parent undertaking can be obtained is included in Note 11.

Cash flow statement

The company has taken advantage of the exemption contained in FRS1 ("Revised") as a subsidiary undertaking where 90% or more of the voting rights are controlled within the group and does not present the cash flow statement in these accounts.

Tangible fixed assets

Depreciation is provided on the assets in equal annual instalments over their estimated useful lives. The rates of depreciation are as follows:

Leasehold improvements	–	over the period of the lease
Motor vehicles	–	25% to 33%
Fixtures, fittings and office equipment	–	25% to 33%

Investments

Fixed asset investments in subsidiaries are included in the accounts at cost less provisions for impairment. The carrying values of fixed assets are reviewed for impairment in the periods when the events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is provided for in the current period profit and loss account when the carrying value of the assets exceeds their estimated recoverable amount. The estimated recoverable amount is defined as the higher of the net realisable value and the value in use. The value in use is determined by reference to estimated future discounted cashflows.

Stock

Stock, which comprises natural gas to be delivered by suppliers, has been stated at the lower of cost and net realisable value.

Taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts to the extent that is probable that a liability or asset will crystallise in the future.

Leases

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the company's normal policy. The outstanding liabilities under such agreements less any interest not yet due are included in creditors. Interest on such agreements is charged to the profit and loss account over the term of each agreement.

Pension costs

Contributions to the defined contribution scheme are charged in the period in which they arise.

Volunteer Energy Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2001

2. DIRECTORS AND EMPLOYEES

The company had no employees during the years ended 31 December 2001 and 31 December 2000. The directors received no emoluments in respect of their services to this company.

3. INVESTMENTS

	<i>Shares in subsidiary undertakings</i>
	£
Cost:	
At 31 December 2000 and 2001	<u>3</u>

4. DEBTORS: amounts falling due within one year

	<i>31 December 2001</i>	<i>31 December 2000</i>
	£	£
Amounts owed by subsidiary undertakings	<u>4,891,674</u>	<u>891,674</u>

5. CREDITORS: amounts falling due within one year

	<i>31 December 2001</i>	<i>31 December 2000</i>
	£	£
Amounts owed to group undertakings	<u>3</u>	<u>3</u>

Volunteer Energy Group Limited

NOTES TO THE ACCOUNTS at 31 December 2001

6. SHARE CAPITAL

	<i>31 December 2001</i>	<i>31 December 2000</i>
	<i>£</i>	<i>£</i>
Authorised:		
5,500,000 (2000: 1,500,000) ordinary shares of £1 each	5,500,000	1,500,000
Called up, allotted and fully paid:		
5,483,591 (2000: 1,483,591) ordinary shares of £1 each	5,483,591	1,483,591

On 28 December 2001 the company created an additional 4,000,000 ordinary shares of £1 each, ranking in all respects pari passu with the existing 1,500,000 ordinary shares of £1 each.

On 28 December 2001 the company issued 4,000,000 shares for £1 each. These were fully paid up for cash.

7. PROFIT AND LOSS ACCOUNT

	<i>£</i>
Balance at 1 January 2001	(591,917)
Retained profit for the year	-
Balance at 31 December 2001	(591,917)

The company did not trade in the years ended 31 December 2001 and 31 December 2000. Accordingly no profit and loss account has been prepared.

8. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses for the year ended 31 December 2001. Accordingly, no statement of total recognised gains and losses is given.

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<i>31 December 2001</i>	<i>31 December 2000</i>
	<i>£</i>	<i>£</i>
Profit for the financial period	-	-
Shares issued	4,000,000	-
Net increase in shareholders' funds	4,000,000	-
Opening shareholders' funds	891,674	891,674
Closing shareholders' funds	4,891,674	891,674

Volunteer Energy Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2001

10. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption within FRS 8 and has not disclosed transactions with group companies. There were no other related party transactions in the year.

11. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is G.D.F. International S.A., a company registered in France.

The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is Gaz de France, a company registered in France. Copies of Gaz de France group accounts can be obtained from Gaz de France, 23 rue Philibert Delorme, 75840, Paris, Cedex 17, France.