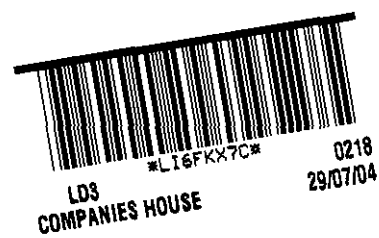




**SEEBOARD CONTRACTING SERVICES LIMITED**  
**Registered Number 2965182**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2003**



## CONTENTS

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**Page:**

|   |  |
|---|--|
| 2 | Directors' report                        |
| 4 | Statement of directors' responsibilities |
| 5 | Auditors' report                         |
| 7 | Profit and loss account                  |
| 8 | Balance sheet                            |
| 9 | Notes to the financial statements        |

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### **Directors**

Humphrey A E Cadoux-Hudson  
Stephen J Date  
Maria H Maes

### **Company Secretary**

Robert I Higson

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

### **Registered Office**

40 Grosvenor Place  
Victoria  
London  
SW1X 7EN

## DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 December 2003.

### Principal activity and review of the business

The Company's principal activity during the year continued to be the supply of electrical contracting services. It will continue in this activity for the foreseeable future.

### Results and dividends

The profit for the year, after taxation, amounted to £956,000 (2002: £1,384,000). The Directors do not recommend payment of a dividend (2002: £Nil).

### Future developments

The Directors regard the results for the year and the year end financial position as satisfactory and expect the company to continue to perform to a satisfactory level in the future.

### Directors and their interests

Directors who held office during the year and subsequently were as follows:

Humphrey A E Cadoux-Hudson

Stephen J Date

Michael J Pavia

(Resigned 31 July 2003)

Vincent de Rivaz

(Resigned 1 January 2004)

Maria H Maes

(Appointed 1 January 2004)

None of the Directors has a service contract with the Company. One of the Directors who held office during the year is employed by and has a service contract with the ultimate parent company, Electricité de France (EdF). The remaining Directors are employed by other EDF Energy plc (formerly London Electricity Group plc) companies, and have service contracts with those companies.

There are no contracts of significance during or at the end of the financial year in which a Director of the Company was materially interested.

None of the Directors who held office at the end of the financial year had an interest in the shares of the Company or any other Group company.

### Political and charitable contributions

During the year, the Company made various charitable contributions totalling £1,229 (2002: £747) and no political contributions.

### Creditors payment policy

The Company's current policy concerning the payment of the majority of its trade creditors and other suppliers is to:

- settle the terms of payment with those creditors/suppliers when agreeing the terms of each transaction;
- ensure that those creditors/suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with its contractual and other legal obligations.

The payment policy applies to all payments to creditors/suppliers for revenue and capital supplies of goods and services without exception. At 31 December 2003, the Company had an average of 20 days (2002: 20 days) purchases outstanding in its trade creditors.

## DIRECTORS' REPORT Continued

### Employee involvement

The Company keeps its employees informed on matters affecting them relating to the EDF Energy plc (formerly London Electricity Group plc) group of companies. This is carried out in a number of ways, including formal and informal briefings, departmental meetings, regular reports in staff newsletters and on the Group intranet.

### Equal opportunities

The Company is fully committed to ensuring that all current and potential future employees and customers are treated fairly and equally, regardless of their gender, marital status, disability, race, colour, nationality or ethnic origin. The Company provides equal opportunities for employment, training and development, having regard to particular aptitudes and abilities. In the event of employees becoming disabled during employment, where possible, assistance and retraining is given so that they may attain positions compatible with their ability.

By order of the Board



Robert I Higson  
Company Secretary

Date 30 JUN 2004

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the Directors to prepare financial statements for each financial year 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 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;
- state whether applicable accounting standards have been followed; 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 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 Companies 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.

The Directors confirm that they have complied with these requirements and having a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEEBOARD CONTRACTING SERVICES LIMITED**

We have audited the Company's financial statements for the year ended 31 December 2003 which comprise Profit and Loss Account, Balance Sheet, and the related notes 1 to 21. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of directors' 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 financial statements 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEEBOARD CONTRACTING SERVICES LIMITED Continued**

**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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
London

Date *5/7/04*

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2003**

|   | <i>Note</i> | <b>2003<br/>£000</b> | <b>2002<br/>£000</b> |
|---|-------------|----------------------|----------------------|
| <b>Turnover</b>   | <b>2</b>    | <b>56,967</b>        | <b>53,409</b>        |
| Cost of sales   |             | (44,655)             | (41,938)             |
| <b>Gross profit</b>   |             | <b>12,312</b>        | <b>11,471</b>        |
| Distribution costs  |             | (7,746)              | (6,942)              |
| Administrative expenses   |             | (3,343)              | (2,744)              |
| <b>Operating profit on ordinary activities before interest and taxation</b> | <b>3</b>    | <b>1,223</b>         | <b>1,785</b>         |
| Interest receivable   | 6           | 191                  | 280                  |
| Interest payable  | 7           | -                    | (88)                 |
| <b>Profit on ordinary activities before taxation</b>                        |             | <b>1,414</b>         | <b>1,977</b>         |
| Tax on profit on ordinary activities  | 8           | (458)                | (593)                |
| <b>Profit retained for the financial year</b>                               | <b>16</b>   | <b>956</b>           | <b>1,384</b>         |

There were no recognised gains or losses other than the profit of £956,000 for the year ended 31 December 2003 (2002: profit of £1,384,000).



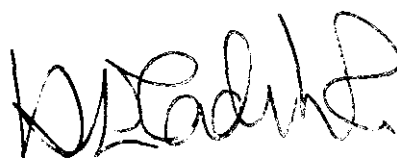
**BALANCE SHEET**  
**AT 31 DECEMBER 2003**

|   | Note | 2003<br>£000   | 2002<br>£000    |
|---|------|----------------|-----------------|
| <b>Fixed assets</b>   |      |                |                 |
| Tangible assets   | 9    | 2,492          | 2,664           |
| <b>Current assets</b>   |      |                |                 |
| Stock   | 10   | 6,816          | 2,440           |
| Debtors falling due within one year                             | 11   | 12,298         | 14,761          |
| Cash  |      | 5,455          | 10,611          |
| <b>Total current assets</b>                                     |      | <b>24,569</b>  | <b>27,812</b>   |
| <b>Creditors</b> (amounts falling due within one year)          | 12   | <b>(9,249)</b> | <b>(11,611)</b> |
| <b>Net current assets</b>                                       |      | <b>15,320</b>  | <b>16,201</b>   |
| <b>Total assets less current liabilities</b>                    |      | <b>17,812</b>  | <b>18,865</b>   |
| <b>Creditors</b> (amounts falling due after more than one year) | 13   | -              | (2,000)         |
| Provisions for liabilities and charges                          | 14   | (101)          | (110)           |
| <b>Net assets</b>   |      | <b>17,711</b>  | <b>16,755</b>   |
| <b>Capital and reserves</b>                                     |      |                |                 |
| Called up share capital   | 15   | 15,371         | 15,371          |
| Profit and loss account   | 16   | 2,340          | 1,384           |
| <b>Equity shareholder's funds</b>                               |      | <b>17,711</b>  | <b>16,755</b>   |

The financial statements on pages 7 to 17 were approved by the Board of Directors on **30 JUN 2004** and were signed on its behalf by:



Maria H Maes  
Director



Humphrey A E Cadoux-Hudson  
Director

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

#### Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

The Group is following the transitional arrangements of FRS 17 'Retirement benefits'. The required disclosures are shown in note 18. Full adoption of the standard is required by the year ended 31 December 2005.

#### Cash flow statement

The Company is exempt from preparing a cash flow statement under the terms of FRS 1 'Cash flow statements (revised 1996)' as it is a member of a group which produces publicly available financial statements.

#### Tangible fixed assets

The cost of individual tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

#### Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

|                        |   |         |
|------------------------|---|---------|
| Motor vehicles         | – | 5 years |
| Equipment and fittings | – | 5 years |
| IT equipment           | – | 3 years |

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### Stocks and work in progress

Work in progress, which includes electrical and contracting work, and stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Provisions are made for obsolete, slow moving or defective items where appropriate.

Long term contracts are valued at cost plus attributable profit less any foreseeable losses. Profit is recognised when the outcome of a contract can be assessed with reasonable certainty. The excess of turnover over payments on account is included in debtors. To the extent payments on account exceed turnover and long term contract balances they are included as payments on account within creditors.

## **NOTES TO THE FINANCIAL STATEMENTS Continued**

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- Provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, this is a commitment to dispose of the replacement assets with no likely subsequent rollover or available capital losses.
- Provision is made for gains on revalued fixed assets only where there is a commitment to dispose of the revalued assets and the attributable gain can neither be rolled over or eliminated by capital losses.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on an undiscounted basis.

### **Leasing and hire purchase commitments**

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

### **Pensions**

The Company participates in both a defined contribution pension scheme and defined benefit pension scheme. Contributions in respect of the defined contribution pension scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

The cost of providing pensions in respect of defined benefit pension scheme is charged to the profit and loss account so as to spread the cost of pensions over employees working lives. The pension cost is assessed in accordance with the advice of qualified actuaries.

## **2. Turnover**

Turnover, which is stated net of value added tax, arises entirely in the United Kingdom and is attributable to the continuing activity of electrical contracting services.

## **3. Operating profit**

|   |             |      |
|---|-------------|------|
| This is stated after charging:                  | <b>2003</b> | 2002 |
|   | <b>£000</b> | £000 |
| Depreciation of owned fixed assets              | <b>834</b>  | 620  |
| Operating lease rentals for plant and machinery | <b>4</b>    | 7    |

Auditors' remuneration is borne by EDF Energy (South East) plc (formerly SEEBOARD plc) for both years.

NOTES TO THE FINANCIAL STATEMENTS Continued

4. Directors' emoluments

|  | 2003<br>£000   | 2002<br>£000   |
|--|----------------|----------------|
| Emoluments   | 130            | 74             |
|  | 2003<br>Number | 2002<br>Number |
| Members of defined benefit pension scheme                        | 1              | 1              |
|  | 2003<br>£000   | 2002<br>£000   |
| Emoluments payable to the highest paid Director were as follows: |                |                |
| Aggregate emoluments   | 130            | 74             |

5. Staff costs

|                       | 2003<br>£000 | 2002<br>£000 |
|-----------------------|--------------|--------------|
| Wages and salaries    | 16,921       | 13,216       |
| Social security costs | 1,352        | 993          |
| Other pension costs   | 1,068        | 894          |
|                       | 19,341       | 15,103       |

The monthly average number of employees during the year was as follows:

|                | 2003<br>Number | 2002<br>Number |
|----------------|----------------|----------------|
| Administration | 47             | 45             |
| Distribution   | 591            | 585            |
|                | 638            | 630            |

6. Interest receivable and similar income

|                           | 2003<br>£000 | 2002<br>£000 |
|---------------------------|--------------|--------------|
| Other interest receivable | 191          | 280          |

7. Interest payable and similar charges

|  | 2003<br>£000 | 2002<br>£000 |
|--|--------------|--------------|
| Interest payable on loans from other Group companies | -            | 88           |

NOTES TO THE FINANCIAL STATEMENTS Continued

8. Tax on profit on ordinary activities

a) Analysis of tax charge in the year

UK current tax

|   | 2003<br>£000 | 2002<br>£000 |
|---|--------------|--------------|
| UK corporation tax charge on profit of the year | (467)        | (560)        |
| Total current tax charge (Note 8(b))            | (467)        | (560)        |

UK deferred tax

|  | 2003<br>£000 | 2002<br>£000 |
|--|--------------|--------------|
| Origination and reversal of timing differences     | 45           | (33)         |
| Adjustment in respect of previous years            | (36)         | -            |
| Total deferred tax charge                          | 9            | (33)         |
| <b>Tax charge on profit on ordinary activities</b> | <b>(458)</b> | <b>(593)</b> |

(b) Factors affecting tax charge for the year:

|   | 2003<br>£000 | 2002<br>£000 |
|---|--------------|--------------|
| The tax assessed for the year is higher than the standard rate of corporation tax in the UK (30%).        |              |              |
| The differences are explained below:  |              |              |
| Profit on ordinary activities before tax  | 1,414        | 1,977        |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002: 30%) | (424)        | (593)        |
| Effect of:  |              |              |
| Non taxable income  | 2            | -            |
| Capital allowances in excess/(lower) than depreciation  | (45)         | 33           |
| Current tax charge for the year   | (467)        | (560)        |

NOTES TO THE FINANCIAL STATEMENTS Continued

9. Tangible fixed assets

|                            | Motor<br>vehicles<br>£000 | Equipment<br>and fittings<br>£000 | Total<br>£000 |
|----------------------------|---------------------------|-----------------------------------|---------------|
| <b>Cost</b>                |                           |                                   |               |
| At 1 January 2003          | 3,629                     | 2,305                             | 5,934         |
| Additions                  | 245                       | 429                               | 674           |
| Disposals                  | (54)                      | (21)                              | (75)          |
| <b>At 31 December 2003</b> | <b>3,820</b>              | <b>2,713</b>                      | <b>6,533</b>  |
| <b>Depreciation</b>        |                           |                                   |               |
| At 1 January 2003          | 1,898                     | 1,372                             | 3,270         |
| Charge for the year        | 554                       | 280                               | 834           |
| Disposals                  | (50)                      | (13)                              | (63)          |
| <b>At 31 December 2003</b> | <b>2,402</b>              | <b>1,639</b>                      | <b>4,041</b>  |
| <b>Net book value</b>      |                           |                                   |               |
| <b>At 31 December 2003</b> | <b>1,418</b>              | <b>1,074</b>                      | <b>2,492</b>  |
| At 31 December 2002        | 1,731                     | 933                               | 2,664         |

10. Stock

|                               | 2003<br>£000 | 2002<br>£000 |
|-------------------------------|--------------|--------------|
| Raw Materials and consumables | 502          | 350          |
| Work in progress              | 6,314        | 2,090        |
|                               | <b>6,816</b> | <b>2,440</b> |

11. Debtors falling due within one year

|                                       | 2003<br>£000  | 2002<br>£000  |
|---------------------------------------|---------------|---------------|
| Trade debtors                         | 11,044        | 8,152         |
| Amounts recoverable on contracts      | -             | 4,300         |
| Amounts owed by other Group companies | 789           | 17            |
| Other debtors                         | 38            | 1,973         |
| Prepayments and accrued income        | 427           | 319           |
|                                       | <b>12,298</b> | <b>14,761</b> |

**NOTES TO THE FINANCIAL STATEMENTS Continued**

**12. Creditors: amounts falling due within one year**

|                                       | 2003<br>£000 | 2002<br>£000  |
|---------------------------------------|--------------|---------------|
| Trade creditors                       | 3,198        | 2,490         |
| Payments received on account          | 2,230        | 4,301         |
| Amounts owed to other Group companies | 401          | 2,295         |
| Corporation tax                       | 1,027        | 560           |
| Other taxation and social security    | 940          | 874           |
| Accruals                              | 1,439        | 1,072         |
| Other creditors                       | 14           | 19            |
|                                       | <b>9,249</b> | <b>11,611</b> |

**13. Creditors: amounts falling after one year**

|                                | 2003<br>£000 | 2002<br>£000 |
|--------------------------------|--------------|--------------|
| Amounts owed to parent company | -            | 2,000        |

**14. Provisions for liabilities and charges**

The movements in provisions during the current year are as follows:

|              | At 1 January<br>2003<br>£000 | Utilised in<br>the year<br>£000 | Released in<br>the year<br>£000 | Adjustment in<br>respect of<br>previous years<br>£000 | At 31<br>December<br>2003<br>£000 |
|--------------|------------------------------|---------------------------------|---------------------------------|---|-----------------------------------|
| Other        | 77                           | -                               | -                               | -   | 77                                |
| Deferred tax | 33                           | -                               | (45)                            | 36  | 24                                |
|              | <b>110</b>                   | <b>-</b>                        | <b>(45)</b>                     | <b>36</b>   | <b>101</b>                        |

Other provisions relate to employees unused holiday pay entitlement of up to four weeks. Amounts provided are to be paid to employees when they leave the company at the rate of salary at the time the provision arose.

The movements in deferred taxation during the current year is as follows:

|                                 | 2003<br>£000 |
|---------------------------------|--------------|
| At 1 January                    | 33           |
| Charge for the year (note 8(a)) | (9)          |
| <b>At 31 December</b>           | <b>24</b>    |

Deferred taxation provided in the financial statements is as follows:

|                                | 2003<br>£000 | 2002<br>£000 |
|--------------------------------|--------------|--------------|
| Accelerated capital allowances | 80           | 125          |
| Other timing differences       | (56)         | (92)         |
| <b>Deferred tax liability</b>  | <b>24</b>    | <b>33</b>    |

**NOTES TO THE FINANCIAL STATEMENTS Continued**

**15. Share capital**

Authorised

|                                       | <b>2003</b>   | <b>2002</b>   |
|---------------------------------------|---------------|---------------|
|                                       | <b>£000</b>   | <b>£000</b>   |
| 20,000,000 Ordinary shares of £1 each | <b>20,000</b> | <b>20,000</b> |

Allotted, called up and fully paid

|                            | <b>2003</b>       | <b>2002</b>       | <b>2003</b>   | <b>2002</b>   |
|----------------------------|-------------------|-------------------|---------------|---------------|
|                            | <b>Number</b>     | <b>Number</b>     | <b>£000</b>   | <b>£000</b>   |
| Ordinary shares of £1 each | <b>15,370,733</b> | <b>15,370,733</b> | <b>15,371</b> | <b>15,371</b> |

**16. Reconciliation of shareholder's funds and movement on reserves**

|                            | Share capital | Profit and<br>loss account | Total share-<br>holder's<br>funds |
|----------------------------|---------------|----------------------------|-----------------------------------|
|                            | £000          | £000                       | £000                              |
| At 1 January 2002          | 15,371        | -                          | <b>15,371</b>                     |
| Profit for the year        | -             | 1,384                      | <b>1,384</b>                      |
| At 31 December 2002        | 15,371        | 1,384                      | <b>16,755</b>                     |
| Profit for the year        | -             | 956                        | <b>956</b>                        |
| <b>At 31 December 2003</b> | <b>15,371</b> | <b>2,340</b>               | <b>17,711</b>                     |

**17. Capital commitments**

Amounts contracted for but not provided in the financial statements amounted to £Nil (2002: £75,000).



## NOTES TO THE FINANCIAL STATEMENTS Continued

### 18. Pension commitments

The Company participates in the following group-wide pension schemes.

#### Electricity Supply Pension Scheme

The SEEBOARD Group segment of the Electricity Supply Pension Scheme (ESPS) is a multi-employer defined benefit scheme. The ESPS which operates throughout the Electricity Supply Industry, provides pension and other related benefits based on final pensionable pay of employees. The assets of the scheme are held in a separate trustee-administered fund. The scheme was closed to new employees in 1995.

It is not possible to identify the Company's share of the underlying assets and liabilities in the Group scheme. Accordingly, the Company accounts for the scheme as if it were a defined contribution scheme i.e. the Company pays contributions to the scheme at a fixed contribution rate, defined by Group, which is charged directly to the profit and loss account.

The most recent formal actuarial valuation of the SEEBOARD Group segment of ESPS was carried out as at 31 March 2001 by Hewitt Bacon & Woodrow, consulting actuaries. This valuation was updated by Hewitt Bacon & Woodrow to 31 December 2003. The results of these valuations have been used as the basis for assessing pension costs for the year.

Details of the principal assumptions used to calculate the assets and liabilities of the SEEBOARD Group segment of the ESPS under FRS 17 are set out below, while the results of the valuation are included in the financial statements of EDF Energy plc. The total market value of the assets of SEEBOARD Group's segment of the ESPS at 31 December 2003 was £684m (2002 £620m) and the present value of the scheme liabilities was £802m (2002 £736m).

The principal financial assumptions used to calculate ESPS liabilities under FRS 17 were:

|   | 31<br>December<br>2003<br>% p.a. | 31<br>December<br>2002<br>% p.a. |
|---|----------------------------------|----------------------------------|
| Inflation assumption  | 2.8                              | 2.3                              |
| Rate of increase in salaries                                  | 3.8                              | 3.3                              |
| Rate of increase of pensions in payment and deferred pensions | 2.8                              | 2.3                              |
| Rate used to discount plan liabilities                        | 5.4                              | 5.5                              |
| Expected rate of return on equities                           | 8.5                              | 8.0                              |
| Expected rate of return on bonds                              | 4.8                              | 4.5                              |

These assumptions are governed by FRS 17 and do not reflect the assumptions used by the independent actuary in the triennial valuation as at 31 March 2001, which determined the Group's contribution rate for future years.

#### SEEBOARD Final Salary Pension Plan and SEEBOARD Pension Investment Plan

Since 1 July 1995, new employees of the Company have been offered membership of either of the SEEBOARD Final Salary Pension Plan (FSPP) or the SEEBOARD Pension Investment Plan (PIP).

FSPP is a final salary pension scheme and PIP is a money purchase pension scheme. The assets of both schemes are held in separate trustee-administered funds.

In March 2004, the Group merged its non-ESPS pension schemes, including the FSPP and PIP into the EDF Energy Group Pension Scheme. All past benefits have not changed. Hereafter, members of the affected scheme have the option to contribute to the new defined benefit scheme.

Pension costs arising from all the pension schemes, charged to the profit and loss account for the year, amounted to £1,068,000 (2002 £894,000).

## NOTES TO THE FINANCIAL STATEMENTS Continued

### 19. Other financial commitments

At 31 December 2003 the Company had annual commitments under non-cancellable operating leases as set out below:

|                                | 2003<br>£000 | 2002<br>£000 |
|--------------------------------|--------------|--------------|
| Operating leases which expire: |              |              |
| Within one year                | -            | 3            |

### 20. Related parties

In accordance with FRS 8 'Related parties disclosures', the Company is exempt from disclosing transactions with entities that are part of the Group or investees of the Group qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements.

### 21. Parent undertaking and controlling party

SEEBOARD Trading Limited holds a 100% interest in SEEBOARD Contracting Services Limited and is considered to be the immediate parent company. EDF Energy plc (formerly London Electricity Group plc) is the smallest group for which consolidated financial statements are prepared.

At 31 December 2003, 'Electricité de France' (EdF), a French state owned company is regarded by the Directors as the Company's ultimate parent company. This is the largest group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from Electricité de France, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.