



**EDF ENERGY CUSTOMER FIELD SERVICES (DATA) LIMITED
(FORMERLY ECS DATA SERVICES LIMITED)**

Registered Number 3158935

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2004



CONTENTS

Page:

2	Directors' report
4	Statement of Directors' responsibilities
5	Independent Auditors' report
6	Profit and loss account
7	Balance sheet
8	Notes to the financial statements

Directors

James N Poole
Humphrey A E Cadoux-Hudson

Company Secretary

Robert Ian Higson

Auditors

Deloitte & Touche LLP
London

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 2004.

Principal activity and review of the business

The Company's principal activity during the year continued to be the provision and supply of meter reading and related data services. The Company changed its name from ECS Data Services Limited to EDF Energy Customer Field Services (Data) Limited on 6 May 2005. At this date all the Assets and Liabilities of the company were transferred via Intra-Group Asset Transfer Agreement to London Energy plc as a going concern.

Results and dividends

The loss for the year, before taxation, amounted to £1,091,000 (2003: £1,098,000 profit) and after taxation, to £713,000 (2003: £769,000 profit). The Directors do not recommend payment of a dividend (2003: Nil).

Directors and their interests

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

James N Poole	Appointed 15 June 2004
John R B Morris	Resigned 15 June 2004
Humphrey A E Cadoux-Hudson	

They are all employed by the parent company, EDF Energy plc, and have service contracts with that company. None of the Directors has a service contract with the Company.

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 any interest in the shares of the Company or any other Group company.

Creditors payment policy

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

- agree 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 contract; 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 2004, the Company had an average of 9 days (2003 - 7 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 Group. This is carried out in a number of ways, including formal and informal briefings, departmental meetings and regular reports in staff newsletters and on the Group intranet.

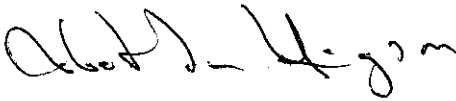
Equal opportunities

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.

Auditors

Deloitte & Touche LLP were appointed as auditors in the current year, following the resignation of Ernst & Young LLP. Deloitte & Touche LLP will be re-appointed as the Company's auditor in accordance with the elective resolution passed by the Company under section 386 of the Companies Act 1985.

By order of the Board



Robert Ian Higson
Company Secretary
Date

31 October 2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDF ENERGY CUSTOMER FIELD SERVICES (DATA) LIMITED (FORMERLY ECS DATA SERVICES LIMITED)

We have audited the financial statements of EDF Energy Customer Field Services (Data) Limited for the year ended 31 December 2004 which comprise the profit and loss account, the balance sheet, and the related notes numbered 1 to 18. 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 United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and have been 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 circumstances of the Company, 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 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

Deloitte & Touche LLP

Date *31 October 2005*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDF ENERGY CUSTOMER FIELD
SERVICES (DATA) LIMITED (FORMERLY ECS DATA SERVICES LIMITED)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 £000	2003 £000
Turnover	2	17,830	17,880
Cost of sales		(7,233)	(7,514)
Gross profit		10,597	10,366
Administrative expenses		(11,732)	(9,289)
Operating (loss)/profit on ordinary activities before interest and taxation	3	(1,135)	1,077
Interest receivable	6	44	21
(Loss)/profit on ordinary activities before taxation		(1,091)	1,098
Tax on (loss)/profit on ordinary activities	7	378	(329)
(Loss)/profit for the financial year		(713)	769

There were no recognised gains or losses in either year other than the results for that year. Accordingly no statement of total recognised gains or losses has been presented.

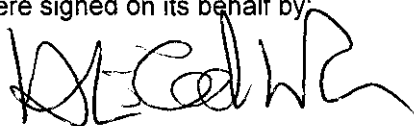
All results are derived from continuing operations in both the current and preceding year (see also note 18).

NOTES TO THE FINANCIAL STATEMENTS

BALANCE SHEET
AT 31 DECEMBER 2004

	Note	2004 £000	2003 £000
Fixed assets			
Tangible assets	8	3,271	3,391
Current assets			
Debtors	9	2,367	2,176
Cash		1,614	1,156
		3,981	3,332
Creditors: amounts falling due within one year	10	(2,685)	(1,953)
Net current assets		1,296	1,379
Total assets less current liabilities		4,567	4,770
Provisions for liabilities and charges	11	(1,239)	(729)
Net assets		3,328	4,041
Capital and reserves			
Called up share capital	12	300	300
Profit and loss account	13	3,028	3,741
Equity shareholder's funds	13	3,328	4,041

The accounts on pages 6 to 16 were approved by the Board of Directors on
and were signed on its behalf by:



Humphrey A E Cadoux-Hudson
Director

31 October 2005

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The principal accounting policies are set out below. They have all been applied consistently throughout the year and the preceding year

Basis of preparation

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

The Company is following the transitional arrangements of FRS 17 'Retirement benefits'. The required disclosures are shown in note 14. 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 whose consolidated accounts include a cash flow statement and are publicly available.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment. 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.

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:

IT Software	–	5 years
Equipment and fittings	–	5 years
IT Hardware	–	3 years

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

NOTES TO THE FINANCIAL STATEMENTS

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term, even if payments are not made on such a basis.

Pensions

The Company operates 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 meter reading and related data services.

3. Operating profit

	2004 £000	2003 £000
This is stated after charging:		
Depreciation of fixed assets – owned	1,260	938
Auditors' remuneration for audit services	10	10
Operating lease rentals – Vehicles	623	621

4. Directors' emoluments

All the Directors are employed by the intermediate parent company, EDF Energy plc. The Directors did not receive any remuneration for services provided to the Company during the year.

No directors (2003: none) held any interests in the shares or debentures of the Company or the Group.

NOTES TO THE FINANCIAL STATEMENTS

5. Staff costs

	2004	2003
	£000	£000
Wages and salaries	6,119	5,673
Social security costs	520	463
Other pension costs	446	357
	7,085	6,493

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

	2004	2003
	Number	Number
Administration	93	84
Operational	217	195
	310	279

6. Interest receivable and similar income

	2004	2003
	£000	£000
Interest receivable on loans to other Group companies	44	21
	44	21

NOTES TO THE FINANCIAL STATEMENTS

7. Tax on (loss) / profit on ordinary activities

a) Analysis of tax charge in the year

UK current tax

	2004 £000	2003 £000
UK corporation tax (credit)/charge on (loss)/profit for the year	(71)	307
Total current tax (credit)/charge (Note (b))	(71)	307

UK deferred tax

	2004 £000	2003 £000
Origination and reversal of timing differences	(241)	22
Adjustment in respect of prior periods	(66)	-
Total deferred tax (credit)/charge	(307)	22
Tax (credit)/charge on (loss)/profit on ordinary activities	(378)	329

(b) Factors affecting tax charge for the year:

	2004 £000	2003 £000
The tax assessed for the period is higher (2003: lower) than the standard rate of corporation tax in the UK (30%).		

The differences are explained below:

(Loss)/profit on ordinary activities before tax	(1,091)	1,098
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	327	(329)
Effect of:		
Capital allowances (lower than) in excess of depreciation	(64)	24
Other timing differences	(177)	(2)
Disallowable expenses	(15)	-
Current tax credit/(charge) for the period	71	(307)

NOTES TO THE FINANCIAL STATEMENTS

8. Tangible fixed assets

	Computer Software £000	Computer Hardware £000	Total £000
Cost			
At 1 January 2004	5,318	81	5,399
Additions	1,093	47	1,140
At 31 December 2004	6,411	128	6,539
Depreciation			
At 1 January 2004	1,989	19	2,008
Charge for the year	1,217	43	1,260
At 31 December 2004	3,206	62	3,268
Net book value			
At 31 December 2004	3,205	66	3,271
At 31 December 2003	3,329	62	3,391

9. Debtors

	2004 £000	2003 £000
Debtors: amounts falling due within one year		
Trade debtors	832	556
Amounts owed by other group companies	669	1,008
Prepayments and accrued income	659	612
Deferred Tax (note 11)	207	-
	2,367	2,176

NOTES TO THE FINANCIAL STATEMENTS

10. Creditors: amounts falling due within one year

	2004 £000	2003 £000
Trade creditors	70	64
Amounts owed to other group companies	1,242	239
Corporation tax (Group Payments)	905	976
Other taxation and social security	72	86
Other creditors	65	42
Accruals	331	546
	2,685	1,953

11. Provisions for liabilities and charges

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

	At 1 January 2004 £000	Arising during the year £000	Transferred to Debtors £000	At 31 December 2004 £000
Liquidated damages payments	629	610	-	1,239
Deferred tax	100	(307)	207	-
	729	303	207	1,239

The Liquidated damage payments provisions relate to potential penalties incurred as a result of failure to achieve contractual performance targets.

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

	£000
At 1 January 2004	100
Credit for the year (note 7)	(307)
At 31 December 2004	(207)

Deferred taxation provided in the financial statements is as follows:

	2004 £	2003 £
Accelerated capital allowances	38	102
Other timing differences	(245)	(2)
Deferred tax (note 9)	(207)	100

NOTES TO THE FINANCIAL STATEMENTS

12. Share capital

Authorised

	2004 Number	2003 Number	2004 £000	2003 £000
Ordinary shares of £1 each	500,000	500,000	500	500

Called up share capital

	2004 Number	2003 Number	2004 £000	2003 £000
Ordinary shares of £1 each	300,000	300,000	300	300

13. Reconciliation of shareholder's funds and movement on reserves

	Share capital £000	Profit and loss account £000	Total share- holder's funds £000
At 1 January 2003	300	2,972	3,272
Profit for the year	-	769	769
At 31 December 2003	300	3,741	4,041
Loss for the year	-	(713)	(713)
At 31 December 2004	300	3,028	3,328

14. Pension commitments

The Company participates in the following group-wide pension schemes and continues to account for these schemes in accordance with SSAP24.

Electricity Supply Pension Scheme

The London Electricity 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 1994.

The directors consider that 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 the Group, which is charged directly to the profit and loss account.

The latest full actuarial valuations of the London Electricity segment of the ESPS were carried out by Hewitt Bacon & Woodrow, consulting actuaries, as at 31 March 2004. The valuation was agreed on 15 December 2004, at the same time that a special contribution was agreed to fund the deficit over a 12 year period from 1 April 2005. The valuation method adopted was the projected unit method. The actuarial valuation at 31 March 2004 indicated the market value of assets in the schemes was £1,064m, which represented 83% of the actuarial value of the accrued benefits. If SSAP24 was to be used as the basis for calculating the 2005 pension charge, the latest full actuarial valuation as at 31 March 2004 and associated assumptions would form the basis of the calculation with effect from 1 January 2005. Full disclosure of the pension scheme and its latest actuarial valuation is provided in the accounts of EDF Energy plc.

NOTES TO THE FINANCIAL STATEMENTS

14 Pension commitments (continued)

Transitional provisions of FRS17, "Retirement benefits"

Details of the principal assumptions used to calculate the assets and liabilities of the London Electricity Group segment of the ESPS under FRS 17 and the results of the valuation are included in the accounts of EDF Energy plc. The total market value of the assets of London Electricity Group's segment of the ESPS at 31 December 2004 on an FRS17 basis was £1,102m (2003 £1,056m) and the present value of the scheme liabilities was £1,333m (2003 £1,292m), resulting in a deficit in the scheme of £231m (2003: £236m).

EDF Energy Pension Scheme (EEPS)

EDF Energy plc and its subsidiary undertakings (the EDF Energy Group") closed its non-ESPS pension arrangements with effect from 29 February 2004. A new scheme, the EDF Energy Pension Scheme, a final salary arrangement, replaced the Non-ESPS schemes (including the London Electricity 1994 Retirement Plan (LERP)) for future service from 1 March 2004. A special contribution of £2 million was made to the EDF Energy Pension Scheme at inception, and the regular ongoing employer's contribution has been assessed as 10% of pensionable pay. This contribution rate will be reviewed as a result of future actuarial valuations. Full disclosure of the pension scheme and its latest actuarial valuation is provided in the accounts of EDF Energy plc.

The directors consider that it is not possible to identify the Company's share of the underlying assets and liabilities in the EEPS. 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 the Group, which is charged directly to the profit and loss account.

Transitional provisions of FRS17, "Retirement benefits"

Details of the principal assumptions used to calculate the assets and liabilities of the EDF Energy Pension Scheme under FRS 17 and the results of the valuation are included in the accounts of EDF Energy plc. The total market value of the assets of the EDF Energy Pension Scheme at 31 December 2004 on an FRS17 basis was £28m and the present value of the scheme liabilities was £30m, resulting in a deficit in the scheme of £2m. The Scheme did not exist prior to 2004. Company contributions to the scheme for the year were £10m.

Pension costs arising from all the pension schemes, charged to the profit and loss account for the year, amounted to £446,000 (2003 £357,000).

15. Other financial commitments

At 31 December 2004 the Company had annual commitments under non-cancellable operating leases as set out below:

	Vehicles 2004 £000	Vehicles 2003 £000
Operating leases which expire:		
Within one year	91	122
In two to five years	532	499
	623	621

NOTES TO THE FINANCIAL STATEMENTS

16. 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 which prepares consolidated accounts which are publicly available.

17. Parent undertaking and controlling party

EDF Energy Customer Field Services (Metering) Limited holds a 100% interest in EDF Energy Customer Field Services (Data) Limited (Formerly ECS Data Services Limited) and is considered to be the immediate parent company. EDF Energy plc heads the smallest Group for which consolidated accounts are prepared which include the results of the Company.

At 31 December 2004, Electricité de France S.A. (EDF), a French state owned company is regarded by the Directors as the company's ultimate parent company and controlling party. This is the largest group for which consolidated accounts are prepared. Copies of that company's consolidated accounts may be obtained from Electricité de France S.A., 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

18. Subsequent Events

On the 6 May 2005 ECS Data Services Limited changed its name to EDF Energy Customer Field Services (Data) Limited. At this date all the Assets and Liabilities of the company were transferred via Intra-Group Asset Transfer Agreement to London Energy plc as a going concern. As a result, the Company ceased its activity of the provision and supply of metering services from that date.