

BRITISH GAS ENERGY LIMITED

Annual Report & Accounts

for the period ended

31 December 1996

Registered No: 3159317



BRITISH GAS ENERGY LIMITED

Annual Report and Accounts

for the period ended

31 December 1996

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BRITISH GAS ENERGY LIMITED

Directors' Report for the period ended 31 December 1996

The Directors present their report and financial statements for the period from incorporation, 9 February 1996, to 31 December 1996.

Principal Activities

The Company did not trade during the period.

Financial Results and Dividends

The financial results are set out on pages 4 to 6. The Directors do not recommend the payment of a dividend.

Directors

The Directors who served during the period covered by this report are:-

<u>Name</u>	<u>Date Appointed</u>	<u>Date Resigned</u>
Combined Nominees Limited	09 February 1996	09 February 1996
Combined Secretarial Services Limited	09 February 1996	09 February 1996
A Garrihy	09 February 1996	
D W J Patience	09 February 1996	

The following changes in directors have occurred since 31 December 1996:-

<u>Name</u>	<u>Date Appointed</u>	<u>Date Resigned</u>
D W J Patience		30 January 1997
I G Dawson	30 January 1997	
T J Furmston	30 January 1997	

Director's Interests

At no time during the year did any Director still holding office on 31 December 1996 have any beneficial interest in the shares of the Company or any other company within the Group except for the interests in the shares of the ultimate parent company, British Gas plc, as stated below:-

<u>Name</u>	<u>Beneficial Holdings</u>	
	<u>09 February 1996</u>	<u>31 December 1996</u>
A Garrihy	633	910
D W J Patience	4,933	5,404

BRITISH GAS ENERGY LIMITED

Directors' Report for the period ended 31 December 1996

Directors' Interests (continued)

Options to purchase fully paid ordinary shares were granted under the Long Term Incentive and Executive Share Option Schemes as follows:

Long Term Incentive Scheme

<u>Name</u>	<u>At 09 February 1996</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31 December 1996</u>
D W J Patience	7,060	Nil	Nil	7,060
A Garrihy	Nil	Nil	Nil	Nil

Executive Share Option Scheme

D W J Patience	19,159	Nil	Nil	19,159
A Garrihy	Nil	Nil	Nil	Nil

All options were granted under the terms of the ultimate parent company's Long Term Incentive Scheme or Executive Share Option Scheme, details of which are given in that company's report and accounts for the year ended 31 December 1996.

Directors Insurance

The Company has through its ultimate parent company, British Gas plc, maintained insurance for the Directors in respect of their duties as Directors of the Company.

Share Capital

The Company is a wholly owned subsidiary undertaking of GB Gas Holdings Limited, a company registered in England. Details of issued and authorised share capital are set out in note 4 on page 6.

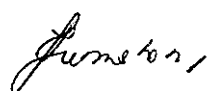
Auditors

The Company is and has since incorporation been dormant within the meaning of Section 250 of the Companies Act 1985 and a special resolution was passed on 17 October 1997 whereby the company became exempt from the obligation to appoint auditors as required by Section 384 of that Act.

By Order of the Board

Registered Office:

Charter Court
50 Windsor Road
Slough
Berkshire
SL1 2HA



Teresa J Furmston
Company Secretary

Registered in England
No: 3159317

Date: 17 October 1997

BRITISH GAS ENERGY LIMITED

Statement of Directors' Responsibilities

The Directors are required by UK company law 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 and loss for that period.

In preparing the financial statements, appropriate accounting policies have been used and applied consistently. Reasonable and prudent judgements and estimates have been made and applicable accounting standards have been followed.

The Directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

BRITISH GAS ENERGY LIMITED

Profit and Loss Account for the year ended 31 December 1996

The Company has not traded during the period and has received no income and incurred no expenditure. Consequently, during the period the Company has made neither a profit nor a loss.

The accompanying notes on page 6 form part of these accounts.

BRITISH GAS ENERGY LIMITED
Company Registered Number: 3159317

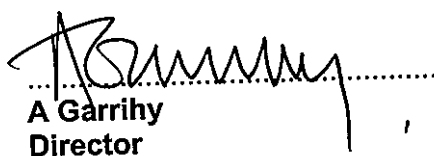
Balance Sheet at 31 December 1996

	Notes	09.02.96	31.12.96
CURRENT ASSETS			
Debtors (amount falling due within 1 year)	4	1	1
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	5	1	1

The Company is exempt under Section 250 of the Companies Act 1985 from the obligation to appoint auditors and entitled to claim the exemption afforded to small companies under Section 246 of the said Act.

The Company was dormant throughout the financial period from incorporation on 9 February 1996 to 31 December 1996.

Approved by the Board on 17 October 1997


A Garrihy
Director

Date: 17 October 1997

BRITISH GAS ENERGY LIMITED

Notes to the Accounts - 31 December 1996

1 Ownership

British Gas Energy Limited is a direct wholly owned subsidiary of GB Gas Holdings Limited. At the balance sheet date GB Holdings Limited was a wholly owned subsidiary of British Gas plc, the ultimate parent company at that date. On 12 February 1997 British Gas plc's shareholding in GB Gas Holdings Limited was transferred to Centrica plc, which then became the company's ultimate parent. The company has not traded since incorporation and any incidental expenses are borne by the ultimate parent.

2 Basis of Accounting

The accounts have been prepared under historical cost accounting convention.

3 Directors' Emoluments and Employees

No director received emoluments in respect of his services to the Company during the period from incorporation on 9 February 1996 to 31 December 1996. The Company had no employees during the period.

4	Debtors (amounts falling due within one year)	09.02.96 £	31.12.96 £
	Amounts owed by group undertakings	1	1
		<hr/>	<hr/>
5	Share Capital	09.02.96 £	31.12.96 £
	Authorised:		
	100 ordinary shares of £1 each	100	100
		<hr/>	<hr/>
	Allotted Issued and Fully Paid		
	1 ordinary share of £1	1	1
		<hr/>	<hr/>