



SUTTON BRIDGE INVESTORS

Registered Number 3398665

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2004



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Directors

Humphrey A E Cadoux-Hudson
Christopher J Daniels
Angus T Norman

Resigned 4 September 2005

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 investment in companies involved in the development, construction and operation of gas fired power stations. It will continue in this activity for the foreseeable future. This entity is an unlimited company.

Results and dividends

The profit for the year, before taxation, amounted to £nil (2003: £10,994,614) and after taxation, to £nil (2003: £10,994,614). The Directors do not recommend payment of a final dividend (2003: £10,994,614).

Directors and their interests

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

Humphrey A E Cadoux-Hudson
Christopher J Daniels
Angus T Norman

Resigned 4 September 2005

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

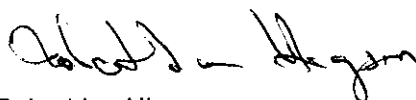
Political and charitable contributions

During the year, the Company made no charitable contributions (2003: £nil) and no political contributions (2003: £nil).

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 31st 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 SUTTON BRIDGE INVESTORS

We have audited the financial statements of Sutton Bridge Investors for the year ended 31 December 2004 which comprise the profit and loss account, the balance sheet, and the related notes numbered 1 to 11. 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 and other members of the group is not disclosed.

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

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUTTON BRIDGE INVESTORS
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 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

Date 31 October 2005

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	<i>Note</i>	2004 £000	2003 £000
Income from fixed asset investments		-	10,995
Profit on ordinary activities before taxation		-	10,995
Tax on profit on ordinary activities	4	-	-
Profit on ordinary activities after taxation		-	10,995
Dividends paid and proposed	5	-	(10,995)
Retained profit for the financial year	8	-	-

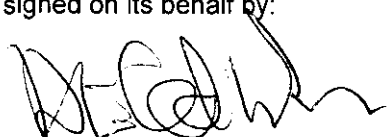
There were no recognised gains or losses in either year other than the profit for that year, and accordingly a statement of total recognised gains and losses is not presented.

All results are derived from continuing operations in both the current and preceding year.

**BALANCE SHEET
AT 31 DECEMBER 2004**

		2004 £000	Restated (note 9) 2003 £000
	<i>Note</i>		
Fixed assets			
Investments in subsidiary undertakings	6	45,354	45,354
Net assets		45,354	45,354
Capital and reserves			
Called up share capital	7	-	-
Share premium	8	68,245	68,245
Profit and loss account	8	(22,891)	(22,891)
Equity shareholder's funds	8	45,354	45,354

The accounts were approved by the Board of Directors on 31st October 2005
and were signed on its behalf by:



Humphrey A E Cadoux-Hudson
Director

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. This entity is an unlimited company.

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, EDF Energy plc, whose consolidated accounts include a cash flow statement and are publicly available.

Exemption from consolidation

The company has not prepared consolidated accounts as it has taken advantage of the exemption from consolidation allowed by the Companies Act 1985, as it is a wholly owned subsidiary of EDF Energy plc, which prepares consolidated accounts which include the results of the Company and its subsidiary undertaking.

Investments

Fixed asset investments are shown at cost less provision for impairment.

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.

2. Operating profit

The audit fee of £4,000 (2003: £4,000) was borne by another Group company.

3. Directors' emoluments

All Directors are employees of EDF Energy plc and did not receive any remuneration for services to the Company during the year or preceding year. The company does not have any employees.

4. Tax on profit on ordinary activities

a) Analysis of tax charge in the year

UK current tax

	2004 £000	2003 £000
UK corporation tax charge on profit for the year	-	-
Total current tax charge (Note (b))	-	-

NOTES TO THE FINANCIAL STATEMENTS Continued

4. Tax on profit on ordinary activities Continued

(b) Factors affecting tax charge for the year:

	2004 £000	2003 £000
The tax assessed for the period is equal to (2003: lower than) the standard rate of corporation tax in the UK (30%).		
The differences are explained below:		
Profit on ordinary activities before tax	-	10,995
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	-	(3,298)
Effect of:		
Dividends received from UK subsidiaries	-	3,298
Current tax charge for the year	-	-

5. Dividends paid and proposed

	2004 £000	2003 £000
Equity dividends on ordinary shares:		
Interim paid of Nil (2003: 10995p) per ordinary share	-	10,995
	-	10,995

6. Investments in subsidiary undertakings

	Shares £000	Total £000
Cost and net book value:		
At 1 January 2004	45,354	45,354
At 31 December 2004	45,354	45,354

The principal undertakings at 31 December 2004, which are incorporated in Great Britain and are registered and operate in England and Wales (unless otherwise stated), are as follows:

	Percentage of ordinary shares held	Principal activity
London Power SB Limited	50% ordinary share capital 100% 'D' preference share capital 50% 'F' preference share capital	Investment in companies involved in the development, construction and operation of gas fired power stations

NOTES TO THE FINANCIAL STATEMENTS Continued

7. Share capital

Authorised

	2004 Number	2003 Number	2004 £	2003 £
Ordinary shares of 0.1p each	10,000,000,000	10,000,000,000	10,000,000	10,000,000
Allotted, called up and fully paid				
	2004 Number	2003 Number	2004 £	2003 £
Ordinary shares of 0.1p each	100,000	100,000	100	100

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

	Share Capital £000	Share Premium £000	Capital Redemption Reserve £000	Profit and Loss Account £000	Total share- holder's funds £000
At 1 January 2003 – as previously stated	-	68,245	(22,891)	-	45,354
Prior year adjustment	-	-	22,891	(22,891)	-
At 1 January 2003 (restated)	-	68,245	-	(22,891)	45,354
Profit for the year	-	-	-	10,995	10,995
Dividends and other appropriations	-	-	-	(10,995)	(10,995)
At 31 December 2003 (restated)	-	68,245	-	(22,891)	45,354
At 31 December 2004	-	68,245	-	(22,891)	45,354

9. Prior year adjustment

During 2000, the company repurchased the shares held by its then shareholders to a value of £68.2m, made up of £10m of nominal value and a premium of £58.2m. An amount of £22.8m was incorrectly debited to a capital redemption reserve. The correction of this error has had no effect on the reported results of the company for 2004 or 2003.

NOTES TO THE FINANCIAL STATEMENTS Continued

9. Prior year adjustment (continued)

The effect on the company's balance sheet at 31 December 2004 and 31 December 2003 is shown below.

	As previously reported £000	2003 Restatement £000	As restated £000
Capital redemption reserve	(22,891)	22,891	-
Share premium account	68,245	-	68,245
Profit and loss account	-	(22,891)	(22,891)
Equity shareholder's funds	45,354	-	45,354

10. 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.

11. Parent undertaking and controlling party

EDF Energy (Sutton Bridge Holdings) Limited holds a 100% interest in Sutton Bridge Investors 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' (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, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.