

**BG Thailand Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2003**



**Company Registration Number: 2466384**

<b>Contents</b>	<b>Pages</b>
<b>Directors' report</b>	<b>1-3</b>
<b>Statement of Directors' responsibilities</b>	<b>4</b>
<b>Independent Auditors' Report</b>	<b>5-6</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9-10</b>

## **Directors' report for the year ended 31 December 2003**

The Directors submit their report and audited Financial Statements for the year ended 31 December 2003.

### **Principal activities**

The Company has not traded in 2003. The Company has no plans to develop the scope of its activities in the future.

### **Results and dividends**

There has been no movement on reserves for the year (2002: £nil). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2003 (2002: £nil).

### **Directors**

The following served as Directors during the year:

#### **Appointed**

F J Chapman  
W M Friedrich  
M J Houston  
D McManus  
D E Roberts  
J C Wormley

3 February 2003

### **Company Secretary**

The following served as Company Secretary during the year:

#### **Appointed**

J E H Griffin  
C S Inman

22 April 2003

#### **Resigned**

22 April 2003

### **Directors' interests**

Frank Chapman and William Friedrich are also Directors of the ultimate parent company, BG Group plc, and details of their interests in the shares of BG Group plc appear in that company's Annual Report and Accounts for 2003.

At no time did any Director still holding office as at 31 December 2003, have any beneficial interest in the shares of the Company or any other company within BG Group plc except for those interests in the shares of BG Group plc stated below.

**Directors' report for the year ended 31 December 2003 (continued)****Beneficial holdings**

Beneficial interests  
in ordinary shares  
As at 1 Jan 2003\*      As at 31 Dec 2003

M J Houston	62,832	<b>68,911</b>
D McManus	3,129	<b>4,618</b>
D E Roberts	-	<b>301</b>
J C Wormley	<b>**43,594</b>	<b>**55,772</b>

\*\* Includes 10,000 shares held in the form of American Depository Receipts.

**Sharesave Scheme**

	Options as at 1 Jan 2003*	Options granted during the year	Options exercised during the year	Options as at 31 Dec 2003
M J Houston	4,230	-	-	<b>4,230</b>
D McManus	7,466	-	-	<b>7,466</b>
J C Wormley	4,230	-	-	<b>4,230</b>

**Company share option scheme**

	Options as at 1 Jan 2003*	Options granted during the year	Options exercised during the year	Options as at 31 Dec 2003
M J Houston	267,317	125,914	-	<b>393,231</b>
D McManus	318,818	116,133	-	<b>434,951</b>
D E Roberts	-	200,361	-	<b>200,361</b>
J C Wormley	285,436	120,147	-	<b>405,583</b>

**Directors' report for the year ended 31 December 2003 (continued)****Long Term Incentive Scheme**

	Notional allocations of shares as at 1 Jan 2003*	Notional allocations of shares made during the year	Number of shares added through dividend reinvestment	Forfeited at end of performance period	Shares vested during the year	Notional allocations of shares as at 31 Dec 2003
M J Houston	255,023	186,720	84	(11,871)	(7,122)	422,834
D McManus	278,644	172,372	-	(16,959)	-	434,057
D E Roberts	-	289,086	-	-	-	289,086
J C Wormley	278,308	178,557	208	(13,567)	(17,606)	425,900

\* Or at date of appointment (if later).

Full details of all employee share and option schemes can be found in the BG Group plc Annual Report and Accounts 2003.

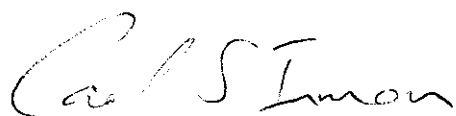
**Directors' insurance**

The ultimate parent company has purchased insurance to cover the Directors against liabilities in relation to the Company.

**Auditors**

The Company has elected to dispense with the annual reappointment of auditors in accordance with s.386 of the Companies Act 1985 and accordingly PricewaterhouseCoopers LLP remain in office.

By order of the Board



**C S Inman**  
Company Secretary

Date: 22 September 2004

Registered Office:  
100 Thames Valley Park Drive  
Reading  
Berkshire  
RG6 1PT  
Registered in England & Wales No. 2466384

## **Statement of Directors' responsibilities**

The Directors are required by the Companies Act 1985 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 for the financial year.

The Directors consider that in preparing the Financial Statements on pages 7 to 10 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all applicable accounting standards have been followed and that the Financial Statements have been prepared on the going concern basis.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enables them to ensure that the Financial Statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors, having prepared the Financial Statements, have requested the auditors to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.

## **Independent auditors' report to the member of BG Thailand Limited**

We have audited the Financial Statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

### **Respective responsibilities of Directors and auditors**

The Directors responsibilities for preparing the Financial Statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of Directors' responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's member as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and accounts, and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. The other information comprises only the Directors' report.

### **Basis of opinion**

We conducted our audit in accordance with 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 judgments 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 member of BG Thailand 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 its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
1 Embankment Place  
London WC2N 6RH

Date *22 September 2004.*



## **Profit and loss account for the year ended 31 December 2003**

The Company has not traded during the financial year and has received no income and incurred no expenditure. Consequently, during the year, the Company has made neither a profit nor a loss (2002: £nil) nor were there any recognized gains and losses during the year (2002: £nil). As such, neither a profit or loss account nor a statement of total recognized gains and losses has been presented.

There is no difference between the historical cost profit and losses and the results recorded.

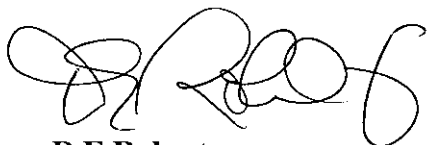
The notes on pages 9 to 10 form part of these Financial Statements.

**Balance sheet as at 31 December**

	Notes	2003 £'000	2002 £'000
<b>Current assets</b>			
Debtors: amounts due within one year	4	80,792	80,792
<b>Total current assets</b>		<u>80,792</u>	<u>80,792</u>
<b>Capital and reserves</b>			
Called up share capital	5	84,001	84,001
Profit and loss account	6	<u>(3,209)</u>	<u>(3,209)</u>
<b>Equity shareholder's funds</b>	7	<u>80,792</u>	<u>80,792</u>

The notes on pages 9 to 10 form part of these Financial Statements.

The Financial Statements on pages 7 to 10 were approved by the Board of Directors and were signed on its behalf by:



**D E Roberts**  
Director

Date:

# Notes to the Financial Statements

## 1 Ultimate Parent Undertaking

The immediate parent undertaking is BG Overseas Holdings Limited.

The ultimate parent undertaking and controlling party is BG Group plc, which is the parent undertaking of the largest group to consolidate these Financial Statements. The smallest group into which the Company is consolidated is that of which BG Energy Holdings Limited is the parent undertaking. BG Energy Holdings Limited and BG Group plc are both registered in England and Wales. Copies of these consolidated accounts may be obtained from the Company Secretary, 100 Thames Valley Park Drive, Reading, Berks, RG6 1PT.

## 2 Accounting policies

### Basis of preparation and accounting principles

These accounts have been prepared on the going concern basis and in accordance with applicable accounting standards in the United Kingdom, using historical cost principles. A summary of the more important accounting policies, which have been applied consistently, is set out below.

### Exemptions

The Company has taken advantage of the exemptions available to wholly owned UK subsidiaries under Financial Reporting Standard (FRS) 1 (Revised 1996) "Cash Flow Statements", and accordingly has not prepared a cash flow statement; and within FRS 8 "Related Party Disclosures" from disclosure of transactions with other group companies.

### Foreign currencies

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Differences arising from changes in exchange rates are taken to the profit and loss account in the year which they arise.

### Deferred taxation

Provision is made in full, on an undiscounted basis, for the deferred tax arising on the difference between the accounting treatment and tax treatment for depreciation in respect of accelerated capital allowances and other timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable.

## 3 Profit and loss account

The Company did not trade during 2003 and 2002. The Company had no employees during the year (2002: nil).

The audit fees of the Company were paid by BG Energy Holdings Ltd as part of the group audit fee and were not allocated to the Company in both 2003 and 2002.

The emoluments of the Directors are paid by the parent company which makes no recharge to the Company.

**4 Debtors: amounts falling due within one year**

	<b>2003</b>	2002
	<b>£'000</b>	£'000
Amounts owed by parent undertaking	<u><b>80,792</b></u>	<u>80,792</u>

**5 Called up share capital**

	<b>2003</b>	2002
	<b>£'000</b>	£'000
<b>Authorised:</b>		
500,000,000 Ordinary Shares of £1 each	<u><b>500,000</b></u>	<u>500,000</u>
<b>Issued, allotted and fully paid:</b>		
84,001,000 Ordinary Shares of £1 each	<u><b>84,001</b></u>	<u>84,001</u>

**6 Reserves**

	<b>Profit and loss account</b>
	<b>£'000</b>
As at 1 January and 31 December 2003	<u><b>(3,209)</b></u>

**7 Reconciliation of movements in shareholder's funds**

	<b>2003</b>	2002
	<b>£'000</b>	£'000
As at 1 January and 31 December	<u><b>80,792</b></u>	<u>80,792</u>