

MUCKLOW HILL (TWO) LIMITED

Annual report

for the year ended 31 March 1999

Registered no: 2642859



MUCKLOW HILL (TWO) LIMITED

**Annual report
for the year ended 31 March 1999**

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MUCKLOW HILL (TWO) LIMITED

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Directors report for the year ended 31 March 1999

The directors' present their report and the financial statements for the year ended 31 March 1999.

Review of business

During the year the company has not traded, has not incurred any liabilities and consequently has incurred neither profit nor loss.

Directors and their interests

The directors who served during the period were:

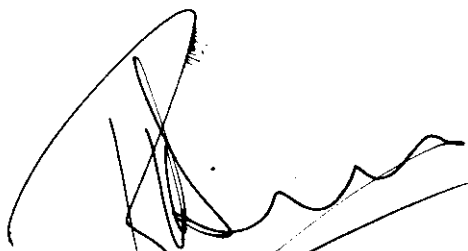
C Edwards	(Resigned 01/02/99)
H C Hamilton	(Resigned 01/12/98)
R H Browne	(Appointed 01/12/98)
R E Dawson	(Appointed 01/12/98)

No director had any beneficial interest in the share capital of the company during the year ended 31 March 1999.

Directors' interests in the loan notes issued by Avon Energy Partners PLC at 31 March 1999 are disclosed in the accounts of Midlands Electricity plc, with the exception of the following:

R H Browne had 65,583 (1998: 85,583) loan notes.

By order of the Board



R H BROWNE
Secretary
9 June 1999

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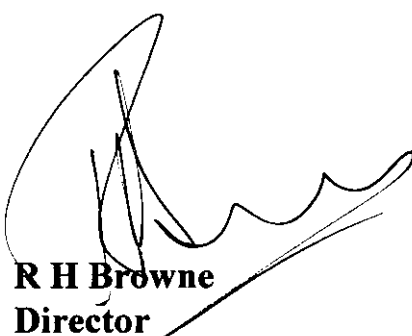
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Balance sheet at 31 March 1999

	Notes	1999	1998
Current assets			
Debtors	3	<u>£2</u>	<u>£2</u>
Capital and reserves			
Called-up share capital	4	<u>£2</u>	<u>£2</u>

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 March 1999.

The financial statements on pages 2 to 4 were approved by the Board of Directors on 9 June 1999 and were signed on its behalf by:



R H Browne
Director

**Notes to the financial statements
for the year ended 31 March 1999****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

The financial statements have been prepared under the historical cost convention.

Related party transactions

As permitted by paragraph 3(c) of Financial Reporting Standard No 8, the company has taken advantage of the exemption for 90% subsidiaries not to disclose related party transactions with group entities.

2 Turnover and profit on ordinary activities before taxation

During the period the company has not traded, has not incurred any liabilities and consequently has made neither profit nor loss.

None of the directors received any remuneration in respect of their services to the company during the period.

3 Debtors

	1999	1998
Amounts falling due within one year:		
Amounts due from group undertakings	<u>£2</u>	<u>£2</u>

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4 Share capital

	1999	1998
Authorised		
1000 ordinary shares of £1 each	<u>£1000</u>	<u>£1000</u>
Allotted, called up and unpaid		
2 ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

5 Reconciliation of shareholders' funds

	1999	1998
Opening and closing shareholders' funds	<u>£2</u>	<u>£2</u>

6 Ultimate holding company

At 31 March 1999 the company's ultimate holding company was Avon Energy Partners Holdings. Copies of the parent company's consolidated financial statements may be obtained from The Secretary, Avon Energy Partners Holdings, Blackpole Road, Worcester, WR4 9TB.

The directors regard Cinergy Corp and General Public Utilities Corporation of the USA as the ultimate controlling parties by virtue that each has a 50% interest in Avon Energy Partners Holdings.