

Goldfish Guide Limited
Report and Accounts for the period 25 November 1997 to 31 December
1998

Company No. 3473736



Goldfish Guide Limited

Report and Accounts for the period 25 November 1997 to 31 December 1998

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Goldfish Guide Limited

Report and Accounts for the period 25 November 1997 to 31 December 1998

Directors' Report

The Directors submit their report and the audited accounts of Goldfish Guide Limited ("the Company") for the period 25 November 1997 to 31 December 1998

Principal Activity

The principal activity of the company is to create, develop and market consumer information brochures.

Review of the Period

The Company was formed on 25 November 1997 with an authorised share capital of £100 and 2 ordinary shares of £1 each in issue. These were transferred on 16 December from the subscribers to I.G. Dawson and L.E. Caldwell who transferred 1 share respectively on 2 February to GB Gas Holdings Limited, a wholly owned subsidiary of Centrica plc.

On 1 June 1998, the Company launched the first of a series of consumer information brochures. During 1999, the Company will continue to develop brochures and promote them to consumers.

Post Balance Sheet Event

Since the year end, on 23 March 1999, the Company increased its authorised share capital from £100 to £12,000,000. On 23 March 1999, the issued share capital was also increased from 2 ordinary shares of £1 each to 12,000,000 ordinary shares of £1 each by the issue of 11,999,998 shares of £1 each to GB Gas Holdings Limited.

Financial Results

The Company made a loss on ordinary activities after taxation for the period 25 November 1997 to 31 December 1998 of £6,958,000.

Financial Support

Centrica plc, the ultimate holding company, has indicated its intention to continue to provide financial support to the Company to ensure that it is able to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operations.

Dividend Policy

The Directors do not propose the payment of a dividend for the period and accordingly £6,958,000 has been transferred from reserves.

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Political / Charitable Donations

The Company made no political or charitable donations during the period.

Year 2000 and Euro Costs

Progress against our detailed plans to deal with the risks associated with Year 2000 business-readiness is regularly monitored by the Board. By the end of 1998 we had achieved readiness on all but a few of our key systems. In 1999 we will work with our IT and service suppliers to complete this task, to carry out our comprehensive testing and to ensure that the necessary contingency plans are put in place. During 1998, we expensed £10,000 in addressing Year 2000 business-readiness.

Detailed impact analysis has identified areas that would require euro conversion and the required lead times for the amendment of key systems. We are now developing plans to enable us to amend our systems in the event that a decision is made in favour of UK adoption of the euro.

Directors and Officers Liability Insurance Policy

Insurance policies are maintained for the Company's Directors and Officers against liability for negligence or breach of duty in relation to the Company as permitted by the Company's Articles of Association and the Companies Act 1985 (as amended).

Directors

Details of the members of the Board of Directors of the Company are shown below:

	Appointed	Resigned
Combined Secretarial Services Limited	25 November 1997	26 November 1997
Combined Nominees Limited	25 November 1997	26 November 1997
L E Caldwell	26 November 1997	02 February 1998
I G Dawson	26 November 1997	02 February 1998
S Waugh	02 February 1998	
D J Richards	02 February 1998	
P A Hallas	02 February 1998	
K F Nelson	02 February 1998	

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Secretaries

The following secretaries served during the period:

	Appointed	Resigned
Combined Secretarial Services Limited	25 November 1997	26 November 1997
L E Caldwell	26 November 1997	

Directors' Interests

At no time did any Director, still holding office at 31 December 1998, have any interest in the shares of the Company or any other company within the Centrica Group except for the interests in, and the options over, the shares and interests of the ultimate parent company, Centrica plc, as set out below.

The Directors with interests in ordinary shares of Centrica plc during 1998 (which include those of their families), who were still holding office at 31 December 1998 are shown below:

Interest in Ordinary Shares

	As at date of appointment (2 February 1998)	As at 31 December 1998
S Waugh	-	384
D J Richards	277	661
P A Hallas	471	855
K F Nelson	9,667	10,132

The figures above include shares appropriated under the Centrica Profit Sharing Scheme.

Sharesave Scheme

	As at date of appointment	Granted in the year	As at 31 December 1998
S Waugh	-	-	-
D J Richards	37,176	-	37,176
P A Hallas	8,405	1,057	9,462
K F Nelson	4,202	4,229	8,431

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Options over shares in Centrica plc at the date of appointment were granted under the terms of the Revenue Approved Centrica Sharesave Scheme in April 1997 at an option price of 46.4 pence. Options were also granted under the Scheme in April 1998 at an option price of 92.2 pence per share. These options are normally exercisable within 6 months of either a three year or five year savings contract.

Executive Share Option Scheme

	As at date of appointment	As at 31 December 1998
S Waugh	-	-
D J Richards	-	-
P A Hallas	67,501	67,501
K F Nelson	69,576	30,000

i) No options lapsed during the period. Keith Nelson exercised options over 39,576 shares on 5 October 1998 at an option price of 81.06p per share. No further options have been granted by Centrica plc under this scheme.

ii) Options are no longer granted under this scheme. The options outstanding, as shown above, were granted at prices ranging from 66.975 pence to 90.266 pence and are exercisable between October 1997 and November 2004.

Long Term Incentive Scheme

	As at date of appointment	Notional allocations of shares in the year	As at 31 December 1998
S Waugh	476,496	181,431	657,927
D J Richards	35,097	28,918	64,015
P A Hallas	125,786	36,201	161,987
K F Nelson	117,145	31,297	148,442

Notional allocations of shares were made on 4 March 1997, 1 October 1997 and 1 October 1998 under the Centrica Long Term Incentive Scheme at base prices of 67.175 pence, 73.292 pence and 99 pence respectively. Figures given represent the maximum award possible if all performance criteria are met at the end of the performance period (three or four years) and would not be made until the expiry of the retention period, a further two years. Awards held at the date of demerger were replaced with Centrica plc shares, with a base price of £0.817 pence. Full details of the Long Term Incentive Scheme are disclosed in the annual report and accounts of Centrica plc.

The middle market price of Centrica plc ordinary share on the last day of trading of 1998 (30 December) was 121 pence. The range during the period ended 31 December 1998 was 126.75 pence (high) and 83 pence (low).

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Auditors

At a meeting of the board of directors held on 27 July 1998, PricewaterhouseCoopers were appointed as auditors of the Company. The Directors will place a resolution before the Company's Annual General Meeting to affirm this appointment and re-appoint PricewaterhouseCoopers for the coming year.

At the Company's first Annual General Meeting, the Company will consider "elective resolutions" as permitted by Section 366a and 252 of the Companies Act 1985 to dispense with the holding of annual general meetings and the laying of accounts before them.

This report was approved by the Board on 27 April 1999
By Order of the Board

Signed 
L E Caldwell, Secretary

Date 27/4/99

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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. In preparing these financial statements on pages 9 to 15, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonably prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining proper accounting records which disclose with reasonable accuracy the financial position of the Company at any time and to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor's report to the members of Goldfish Guide Limited

We have audited the financial statements on pages 9 to 15 , which have been prepared under the historical cost convention and the accounting policies set out on page 11 .

Respective responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report, including, as described on page 7, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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.

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We read the other information in the Annual Report and consider the implications for our report if we become aware of apparent misstatements or material inconsistencies with the financial statements.

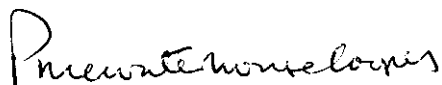
Basis of audit opinion

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 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 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.

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 1998 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants & Registered Auditors
1 Embankment Place
London WC2N 6NN

28 April 1999

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Profit and loss account

	Notes	Period ended 31 Dec 1998 £'000s
Turnover	(1)	563
Cost of sales		(1,206)
Gross loss		(643)
Administrative expenses		(6,315)
Operating loss	(2)	(6,958)
Retained loss for the period		(6,958)

The Company has no recognised gains and losses other than those shown above.

All activity is related to continuing operations.

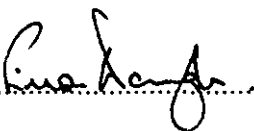
The notes on pages 11 to 15 form an integral part of these financial statements


Goldfish Guide Limited**Report and Accounts for the period 25 November 1997 to 31 December 1998****Balance sheet****as at 31 December 1998**

	Notes	31 Dec 1998 £'000s
Fixed Assets		
Tangible Assets	(5)	73
Current Assets		
Stock	(6)	10
Debtors	(7)	983
Current assets		993
Creditors: amounts falling due within one year	(8)	(8,024)
Net current assets		(7,031)
Total Assets less current liabilities		(6,958)
Capital and reserves		
Called up share capital	(9)	0
Profit and loss account		(6,958)
Net shareholders' deficit		(6,958)

The notes on pages 11 to 15 form an integral part of these financial statements.

The financial statements on pages 9 to 15 were approved by the Board of Directors of the Company on 27 April 1999 and are signed on its behalf by:

Signed.....
Name:
(Director)

Signed.....
Name: PAUL HALLAS
(Director)

Date.....28/4/99.....

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Notes for the financial statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards, historical cost principles, and the Companies Act 1985.

As the Company is indirectly a wholly owned subsidiary of Centrica plc, the Company has taken advantage of the exemptions within Financial Reporting Standard No 1 revised, "Cash Flow Statements", from presenting a cashflow statement and Financial Reporting Standard No. 8, "Related Party Disclosures", from disclosure of transaction with other Group companies.

Turnover

Turnover represents fees receivable from advertisers and arose wholly in the United Kingdom.

Tangible fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected life of an asset. No depreciation is charged in the year of acquisition. The expected life of computer equipment is 3 years.

Deferred tax

The Company recognises deferred tax liabilities to the extent that they are expected to crystallise within the foreseeable future.

Stock

Stock is valued at the lower of cost and net realisable value.

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2. Operating loss

Operating loss is stated after allowance for the following expenses:

	Period ended 31 Dec 1998 £'000s
Auditors' remuneration:	
Audit fee	8

The company had no employees during the period. Services were provided to the Company by other companies in the Centrica group.

3. Directors' emoluments

Mr P Hallas received emoluments of £64,520 from British Gas Trading Ltd in relation to work carried out for the Company during the period.

4. Taxation

No recognition has been made of the potential deferred tax asset of £197,000 arising from the period's transactions. The potential deferred tax asset arises primarily from timing differences on capital allowances.

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5. Fixed Assets

	Computer Equipment £'000s
Cost	
25 November 1997	0
Additions	73
31 December 1998	<u>73</u>
Depreciation	
25 November 1997	0
Charge for the period	0
31 December 1998	<u>0</u>
Net Book Value	
25 November 1997	0
31 December 1998	<u><u>73</u></u>

6. Stock

	31 Dec 1998 £'000s
Finished Goods	<u>10</u>

7. Debtors

	31 Dec 1998 £'000s
Trade Debtors	287
Prepayments and accrued income	257
Other Debtors	439
	<u><u>983</u></u>

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8. Creditors

	31 Dec 1998
Amount falling due within one year	£'000s
Bank Overdraft	206
Trade Creditors	324
Amounts owed to Group Undertakings	6,302
Accruals and Deferred Income	1,175
Other Creditors	17
	<u>8,024</u>

9. Called up share capital

	31 Dec 1998
Authorised	£
100 Shares of £1.00 each	100

	31 Dec 1998
Allotted, called up and fully paid	£
2 Shares of £1.00 each	2

Since the year end, on 23 March 1999, the Company increased its authorised share capital from £100 to £12,000,000. On 23 March 1999, the issued share capital was also increased from 2 ordinary shares of £1 each to 12,000,000 ordinary shares of £1 each by the issue of 11,999,998 fully paid shares of £1 each to GB Gas Holdings Limited.

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10. Share capital, reserves and movements in shareholders' deficit

	31 Dec 1998
	£'000s
Loss for the period	(6,958)
Issue of shares	0
Net movement in shareholders' deficit	(6,958)
Opening shareholders' funds	0
Closing shareholders deficit at 31 December 1998	(6,958)

11. Funding Facility

The Company is funded through an intra-group facility. Based on current business plans, the Directors believe that this facility will be adequate to meet ongoing funding requirements. Based on this, the Directors consider that the Company is a going concern.

12. Ultimate Parent Undertaking

The Company's immediate parent undertaking is GB Gas Holdings Limited.

The Company's ultimate parent undertaking is Centrica plc, which is the only group to consolidate the accounts of the Company. Copies of the Annual Report and Accounts of Centrica plc may be obtained from the Company Secretary, Centrica plc, Charter Court, 50 Windsor Road, Slough, Berks, SL1 2HA.