

**GOLDBRAND DEVELOPMENT LIMITED**

**ANNUAL REPORT AND ACCOUNTS**

**For the Year Ended 31 December 2005**

Registered Number: 3093542



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## **Directors' report**

The directors present their report and audited financial statements of Goldbrand Development Limited (the "Company") for the year ended 31 December 2005.

### **Review of business and future developments**

The principal activity of the Company was to administer the Goldfish loyalty programmes. The costs incurred by the Company in carrying out this service were recharged to other Centrica group companies including GF One Limited.

Following the transfer of the principal business to Lloyds TSB Bank plc on 30 September 2003, the company ceased to actively trade.

### **Financial results and dividends**

The profit for the year before tax amounted to £2,000 (2004: profit £19,000). The loss after tax amounted to £3,027,000 (2004: profit £19,000) this loss has been deducted from reserves.

No dividends were paid for the year ended 31 December 2005 (2004: £nil)

### **Directors**

The following served as directors throughout the year, and upto the date of signing these financial statements.

Centrica Directors Limited

At no time during the year did the sole director have any interest in the shares of the Company or any other company within the Centrica group, including the ultimate parent company, Centrica plc.

There were no contracts of significance during or at the end of the financial year to which the Company or any Subsidiary and associated undertakings is a party and in which and Director is or was materially interested.

### **Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year that 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 loss of the Company for the financial year.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently, except for changes arising on the adoption of new accounting standards;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

### **Related Party Transactions**

The Company has taken advantage of the exemptions within Financial reporting Standard No 8 "Related Party Disclosures" from disclosure of transactions with other Centrica group companies. There have been no disclosable related party transactions during the year (2004: £nil)

### **Creditor payment policy**

The Company aims to pay all its creditors promptly. The Company's policy is to:

- \* agree the terms of payment in advance with the supplier
- \* ensure that suppliers are aware of the terms of payment; and
- \* pay in accordance with contractual and other legal obligations.

### **Political and Charitable Donations**

The Company made no political or charitable donations during the year (2004: £nil)

## Directors' report (continued)

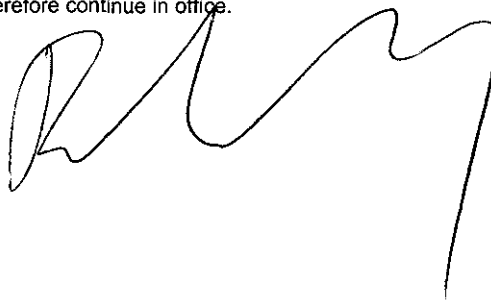
### Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year under review.

### Auditors

In accordance with Section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to reappoint auditors annually, and PricewaterhouseCoopers LLP will therefore continue in office.

Robin Healy  
for and on behalf of Centrica Secretaries Limited  
Company secretary  
31 October 2006

A handwritten signature in black ink, appearing to be 'RH' followed by a stylized flourish.

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire SL4 5GD

## Independent Auditors' report to the members of Goldbrand Development Limited

We have audited the financial statements of Goldbrand Development Limited for the year ended December 2005, which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members 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 other transactions is not disclosed.

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

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

### Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at December 2005 and of its loss 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 6RN

31 October 2006

31 October

**Profit and Loss account for the year ended 31 December**

		2005	2004
		Results for the year	Results for the year
	Notes	£000	£000
Turnover	2	-	-
Administrative expenses		2	8
<b>Operating profit</b>		<b>2</b>	<b>8</b>
Interest receivable and similar income		-	11
<b>Profit on ordinary activities before taxation</b>	<b>4</b>	<b>2</b>	<b>19</b>
Taxation	5	(3,029)	-
<b>Profit / (Loss) after taxation</b>		<b>(3,027)</b>	<b>19</b>
<b>Transfer to reserves</b>	<b>9</b>	<b>(3,027)</b>	<b>19</b>

There is no difference between the profit and loss account reported above and its historical cost equivalent.

The Company has no recognised gains or losses other than the results for the financial periods reported above, and, therefore, no separate statement of total recognised gains and losses is presented.

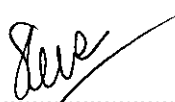
All activity related to discontinued operations.

The notes on pages 6 to 8 form part of these financial statements.

**Balance Sheet as at 31 December**

		<u>2005</u>	<u>2004</u>
	Note	£000	£000
<b>Current assets</b>			
Debtors (amounts falling due within one year)	6	9,202	9,202
		9,202	9,202
Creditors (amounts falling due within one year)	7	(3,029)	(2)
<b>Net current assets</b>		<b>6,173</b>	<b>9,200</b>
<b>Net assets</b>			
		<b>6,173</b>	<b>9,200</b>
<b>Capital and reserves – equity interests</b>			
Called up share capital	8	25	25
Profit and loss account	9	6,148	9,175
<b>Total Equity Shareholders' Funds</b>	10	<b>6,173</b>	<b>9,200</b>

The financial statements on pages 4 to 8 were approved and authorised for issue by the Board of Directors on 31 October 2006 and were signed on its behalf by:

Signed.....  
 Steve Leven for and behalf of Centrica Directors Limited  
 Director

The notes on pages 6 to 8 form part of these financial statements.

## Notes to the accounts

### 1 Principal Accounting Policies

#### Accounting principles

The financial statements have been prepared in accordance with applicable UK accounting standards, consistently applied, and under the historical cost convention and the Companies Act 1985. The company has adopted FRS 17 "Retirement benefits", FRS 21, "Events after the balance sheet date", FRS 25, "Financial instruments: disclosure and presentation", FRS 28 "Corresponding amounts" in these financial statements. The adoption of these standards represents a change in accounting policy. There has been no impact on the current or prior year as a result of these changes in policy.

#### Basis of preparation

The directors believe that the going concern basis is applicable for the preparation of the accounts.

#### Turnover

Turnover represents amounts receivable for services provided and goods sold or recharged to other Centrica plc Group companies. It also includes fees receivable from the broking of financial services including income arising from commissions from third parties and related companies. Commission income is accounted for in the period when receivable.

Amounts recharged comprise costs incurred net of interest and commission income.

#### Stock

Stock is reported at the lower of cost, being the face value of vouchers held less any discounts received, and the net realisable value.

#### Cash Flow Statement

The Company is exempt from the requirement to produce a Cash flow statement under Financial Reporting Standard 1 (revised) since it is indirectly a wholly owned subsidiary undertaking of Centrica plc which prepares consolidated accounts which are publicly available.

#### Taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits in the foreseeable future from which the reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 2 Turnover

All of the turnover arises from one class of business within the UK.

### 3 Directors and employees

#### a) Employee costs

Employee costs were Nil (2004: Nil). The number of persons employed by the Company during the year was Nil (2004: Nil).

#### b) Directors emoluments

The directors are remunerated by other group undertakings in respect of their services to the Group, and this could not be allocated on a reasonable basis to the Company for either the current or previous year.



## Notes to the accounts (continued)

## 4 Profit on ordinary activities before taxation

	2005	2004
	£000	£000

## Operating profit is stated after charging:

Auditors' remuneration:

Auditors' remuneration: the fee is borne without recharge by fellow group company

- -

## 5 Tax

The tax charge comprises:

	2005	2004
	£000	£000
Corporation tax at 30% (2004: 30%)		
- current year	-	-
- prior year	3,029	-
Deferred tax:		
- current year	-	-
Total tax on profit / (loss) on ordinary activities	3,029	-

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2005	2004
	£000	£000
Profit on ordinary activities before tax	2	19
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2004: 30%)	1	6
Effects of:		
Group relief (received) / surrendered	(1)	(6)
Adjustment in respect of prior period's	3,029	-
Current tax charge for the year	3,029	-

Post acquisition by Centrica Group, no amount has been paid in the current period for surrender of group relief per group policy

## 6 Debtors (amounts falling due within one year)

	2005	2004
	£000	£000
Amounts owed from group undertakings	9,202	9,202
	9,202	9,202

## 7 Other creditors (amounts falling due within one year)

	2005	2004
	£000	£000
Corporation Tax	3,029	2
Accruals and deferred income	-	-
	3,029	2

## Notes to the accounts (continued)

### 8 Called up share capital

	2005 £	2004 £
<b>Authorised share capital of the Company</b>		
12,500 Class A shares of £1.00 each	12,500	12,500
12,500 Class B shares of £1.00 each	12,500	12,500
	<b>25,000</b>	<b>25,000</b>
<b>Allotted and fully paid share capital of the Company</b>		
12,500 Class A shares of £1.00 each	12,500	12,500
12,500 Class B shares of £1.00 each	12,500	12,500
	<b>25,000</b>	<b>25,000</b>

Both classes of share rank equally in respect of voting, dividend and winding-up rights.

### 9 Reserves

	Profit and loss account £000
As at 1 January 2005	9,175
Retained loss for the year	(3,027)
<b>As at 31 December 2005</b>	<b>6,148</b>

### 10 Movement in equity shareholders' funds

	2005 £m	2004 £m
Shareholders' funds as at 1 January	9,200	9,181
(Loss) / profit attributable to the Company	(3,027)	19
Dividends	0	0
Net movement in shareholders' funds for the financial year	(3,027)	19
<b>Total Equity Shareholders' Funds as at 31 December</b>	<b>6,173</b>	<b>9,200</b>

### 11 Related party transactions

As a wholly owned subsidiary of the Centrica group, the Company is exempt from the requirement to disclose related party transactions with other group undertakings under Financial Reporting Standard 8 which eliminate on consolidation.

### 12 Ultimate holding company and controlling party

The Company's immediate parent undertaking is GB Gas Holdings Limited, a company registered in England and Wales.

The ultimate holding company and controlling party at 31 December 2005 is Centrica plc, a company registered in England and Wales. Copies of the Centrica plc Report and Accounts can be obtained at [www.centrica.com](http://www.centrica.com).