

GOLDBRAND DEVELOPMENT LIMITED

ANNUAL REPORT AND ACCOUNTS

For the Year Ended 31 December 2004



Registered Number: 3093542

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Directors' report

The directors present their report and audited accounts of Goldbrand Development Limited (the "Company") for the year ended 31 December 2004.

Principal activity

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 group companies including GF One Limited. The Company's activities have been discontinued.

Business review

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

Financial results

The profit for the year before tax amounted to £19,000 (2003: profit £191,000). The profit after tax amounted to £19,000 (2003: loss £146,000).

Dividends

The directors do not recommend the payment of a dividend in respect of the year (2003: Nil).

Directors

The following served as directors during the year:

	Appointed	Resigned
Ian Peters	14 October 2002	17 June 2004
Moirá Lynne Turner	14 October 2002	17 June 2004
Centrica Directors Limited	17 June 2004	

Secretary

The following served as secretary during the year:

	Appointed	Resigned
Centrica Secretaries Limited	30 September 2003	

Directors' interests

At no time did any director holding office at 31 December 2004 have any interest in the shares of the Company (2003: Nil) or any other company within the Centrica group, including the ultimate parent company, Centrica plc.

There were no contracts of significance subsisting during or at the end of the financial period to which the Company is a party and in which any director is or was materially interested.

Statement of Directors' Responsibilities

The following statement sets out the responsibilities of the directors in relation to these accounts. The report of the auditors on page 3 sets out their responsibilities in relation to these accounts.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- * select suitable accounting policies and then apply them consistently, subject to any material departures being disclosed and explained;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, and
- * prepare the accounts on a going concern basis unless they consider that to be inappropriate.

The directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy the financial position of the Company and to enable the directors to ensure that the accounts comply with the United Kingdom Companies Act 1985. They are also responsible for taking reasonable steps to safeguard the assets of the Company and, in that context, to have proper regard to the establishment of appropriate systems of internal control with a view to the prevention and detection of fraud and other irregularities.

The directors are required to prepare the accounts and to provide the auditors with every opportunity to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.

The directors consider that they have pursued the actions necessary to meet these responsibilities.

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 other related party transactions requiring disclosure during the year (2003: £Nil)

Creditor payment policy

The Company aims to pay all its creditors promptly within the agreed contract terms

Political and Charitable Donations

The Company made no political or charitable donations during the year (2003: Nil)

Directors' report (continued)

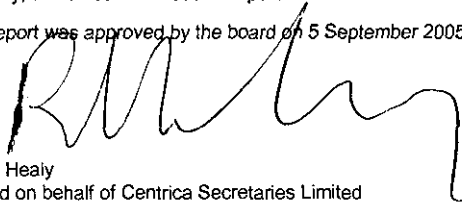
Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc.

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.

The report was approved by the board on 5 September 2005.



Robin Healy
for and on behalf of Centrica Secretaries Limited
Company secretary
5 September 2005

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 which comprise the profit and loss account and 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 annual report and 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 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 transactions is not disclosed.

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 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 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 the Company's affairs at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
3 October 2005

Profit and Loss account for the year ended 31 December

		<u>2004</u>	<u>2003</u>
		Results for the year	Results for the year
	Notes	£000	£000
Turnover	2	-	18,343
Administrative expenses		8	(19,280)
Operating profit / (loss)		8	(937)
Interest receivable		11	1,128
Interest payable		-	-
Profit / (Loss) on ordinary activities before taxation	4	19	191
Taxation	5	-	(337)
Profit / (Loss) after taxation		19	(146)
Dividends paid		-	-
Profit / (Loss) before other appropriation		19	(146)
Other appropriation release		-	-
Transfer to reserves	9	19	(146)

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

		2004	2003
	Notes	£000	£000
Current assets			
Stock		-	-
Debtors (amounts falling due within one year)	6	9,202	8,797
Cash at bank and in hand		-	522
		9,202	9,319
Creditors (amounts falling due within one year)	7	(2)	(138)
Net current assets		9,200	9,181
Provisions for liabilities and charges		-	-
Net assets		9,200	9,181
Capital and reserves – equity interests			
Called up share capital	8	25	25
Profit and loss account	9	9,175	9,156
Shareholders' funds	10	9,200	9,181

The financial statements on pages 4 to 8 were approved by the board of directors on 5 September 2005 and were signed on its behalf by:

Signed.....

 Ian Ritchie 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 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified for non-going concern basis and in accordance with applicable United Kingdom accounting standards, and the Companies Act 1985.

In 2003 the directors decided to close down the Company's activities and to discontinue all trading activities as from the end of 30 September 2003.

Accordingly the financial statements have been prepared on a non-going concern basis. Adjustments have been made in the financial statements to reduce assets to their realisable values and to provide for liabilities arising from that decision.

Turnover

Turnover represents amounts receivable for services provided and goods sold or recharged to other 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 all 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 (2003: Nil). The number of persons employed by the Company during the year was Nil (2003: Nil).

b) Directors emoluments

The directors received no remuneration during the year ending 31 December 2004 (2003: Nil).

Notes to the accounts (continued)

4 Profit / (loss) on ordinary activities before taxation

	2004 £000	2003 £000
Operating profit / (loss) is stated after charging:		
Auditors' remuneration:		
Statutory audit	-	9
	-	9

The 2004 auditors fee is borne without recharge by fellow group company

5 Tax

The tax charge comprises:

	2004 £000	2003 £000
Corporation tax at 30% (2003: 30%)		
- current year	-	-
- prior year	-	337
Deferred tax:		
- current year	-	-
Total tax on profit / (loss) on ordinary activities	-	337

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 / (loss) before tax is as follows:

	2004 £000	2003 £000
Profit / (loss) on ordinary activities before tax	19	191
Tax on profit / (loss) on ordinary activities at standard UK corporation tax rate of 30% (2003: 30%)	6	57
Effects of:		
Group relief (received) / surrendered	(3)	(57)
Expenses not deductible for tax purposes	(3)	-
Prior period adjustment		337
Current tax charge for the year	-	337

Tax losses are received or surrendered for group relief purposes for nil consideration.

6 Debtors (amounts falling due within one year)

	2004 £000	2003 £000
Amounts owed from group undertakings	9,202	8,796
Other debtors	-	1
	9,202	8,797

7 Other creditors (amounts falling due within one year)

	2004 £000	2003 £000
Accruals and deferred income	2	138
	2	138

Notes to the accounts (continued)

8 Called up share capital

	2004 £	2003 £
Authorised share capital of the Company		
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
	25,000	25,000
Allotted and fully paid share capital of the Company		
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
	25,000	25,000

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 2004	9,156
Retained profit for the year	19
As at 31 December 2004	9,175

10 Movement in shareholders' funds

	2004 £m	2003 £m
Shareholders' funds as at 1 January	9,181	9,327
Profit/(loss) attributable to the Company	19	(146)
Dividends	0	0
Net movement in shareholders' funds for the financial year	19	(146)
Shareholders' funds as at 31 December	9,200	9,181

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.

On 18 December 2002, GB Gas Holdings Limited acquired 1 "B" share from Household International (U.K.) Limited, taking its total shareholding to 24,999 shares. 1 share is owned by Centrica Nominees No1 Limited.

The ultimate holding company and controlling party at 31 December 2004 is Centrica plc, which is incorporated in the United Kingdom and registered in England and Wales. Copies of the Centrica plc Report and Accounts can be obtained from Secretariat, Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD or at www.centrica.com.