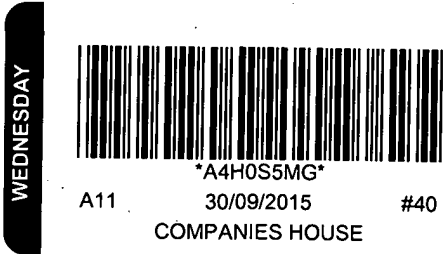


Third Energy UK Gas Limited

Financial Statements

for the year ended 31 December 2014



Company Registration No.01421481

Third Energy UK Gas Limited

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for the year ended 31 December 2014

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Third Energy UK Gas Limited

Company information

for the year ended 31 December 2014

Directors

R Valand
JAG Dewar
DJ Robottom

Secretary

MD Secretaries Limited

Registered office

Knapton Generating Station
East Knapton
Malton
North Yorkshire
YO17 8JF

Registered number

01421481

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Third Energy UK Gas Limited

Directors' report

Company Registration No. 01421481

The directors submit their report and the financial statements of Third Energy UK Gas Limited for the year ended 31 December 2014.

Principal activities

The principal activity of the Company continues to be that of the appraisal and development of gas assets in the United Kingdom. The gas produced is sold to Third Energy Trading Limited, a fellow subsidiary of Third Energy Holdings Limited.

Review of the business

The Company has taken advantage of the small companies exemption not to prepare a strategic report.

The results for the year are shown on page 6 and are summarised as follows:

	2014	2013
	£	£
Turnover	<u>897,255</u>	<u>506,075</u>
Loss for the financial year	<u>(4,415,901)</u>	<u>(11,243,548)</u>

The directors do not recommend the payment of a dividend.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The company forms part of an operating model that includes other entities within the Group to which the Company belongs so the Directors review the going concern of the Company as part of a review of the Group as a whole. As such, the directors have reviewed the Group's forecasts for the period to 30th September 2016 which incorporate all firm commitments in accordance with the Group's business plans and which confirm that the Company can rely on the support of its parent company, Third Energy Holdings Limited. The directors believe that, with the continued support of its parent company, the Company can continue as a going concern, and has the necessary funding available to ensure that it continues to trade on the going concern basis, for the reasonably foreseeable future.

Directors

The directors who have held office since 1st January 2014 are set out below:

Mr R Valand
Mr JAG Dewar
Mr DJ Robottom

Statement as to disclosure of information to the auditor

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. The directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Third Energy UK Gas Limited

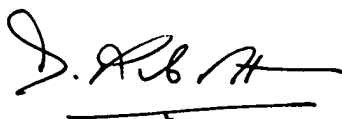
Directors' report

Company Registration No. 01421481

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'D. Robottom', with a horizontal line underneath it.

David Robottom
Director

29 September 2015

Knapton Generating Station
East Knapton
Malton
North Yorkshire
YO17 8JF

Third Energy UK Gas Limited

Directors' responsibilities in the preparation of financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Independent auditor's report to the members of Third Energy UK Gas Limited

We have audited the financial statements of Third Energy UK Gas Limited (the Company) for the year ended 31 December 2014 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Director's Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of the loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Mark Smith (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

30 September 2015

Third Energy UK Gas Limited

Profit and loss account

for the year ended 31 December 2014

Company Registration No. 01421481

	<i>Notes</i>	2014 £	2013 £
Turnover	<i>1</i>	897,255	506,075
Cost of sales		(3,004,398)	(9,071,963)
Gross Loss		<u>(2,107,143)</u>	<u>(8,565,888)</u>
Administration expenses		(2,137,415)	(2,658,911)
Operating loss	<i>2 & 3</i>	<u>(4,244,558)</u>	<u>(11,224,799)</u>
Interest receivable and similar income	<i>4</i>	2,043	1,621
Interest payable and similar charges	<i>5</i>	(173,386)	(20,370)
Loss on ordinary activities before taxation		<u>(4,415,901)</u>	<u>(11,243,548)</u>
Tax on loss on ordinary activities	<i>6</i>	-	-
Loss for the financial year	<i>14</i>	<u><u>(4,415,901)</u></u>	<u><u>(11,243,548)</u></u>

The result for the year arises from the Company's continuing operations.

The Company has no other recognised gains or losses other than those passing through the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

Third Energy UK Gas Limited

Balance Sheet

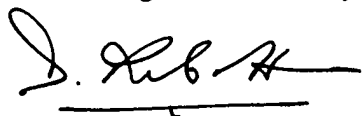
31 December 2014

Company Registration No. 01421481

	<i>Notes</i>	2014 £	2013 £
Fixed Assets			
Intangible assets	7	20,606,651	16,298,101
Tangible assets	8	623,613	894,290
		<u>21,230,264</u>	<u>17,192,391</u>
Current Assets			
Debtors	9	1,729,998	3,152,189
Cash at bank and in hand		54,313	304,706
		<u>1,784,311</u>	<u>3,456,895</u>
Creditors: Amounts falling due within one year	10	(5,387,957)	(7,614,348)
Net Current Liabilities		<u>(3,603,646)</u>	<u>(4,157,453)</u>
Total Assets less Current Liabilities		17,626,619	13,034,938
Creditors: Amounts falling due after one year	11	(40,667,071)	(31,825,039)
Provisions for liabilities	12	(3,173,000)	(3,007,450)
Net Liabilities		<u>(26,213,452)</u>	<u>(21,797,551)</u>
Capital and reserves			
Called up share capital	13	11,600,000	11,600,000
Capital contribution		5,789,842	5,789,842
Profit and loss account - (deficit)	14	(43,603,294)	(39,187,393)
Deficit on shareholders' funds	15	<u>(26,213,452)</u>	<u>(21,797,551)</u>

The notes on pages 8 to 16 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 29 September 2015 and are signed on its behalf by:



David Robottom
Director

Third Energy UK Gas Limited

Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable UK accounting standards including the Statement of Recommended Practice "Accounting for oil and gas exploration, development, production and decommissioning activity" (SORP), published by the Oil Industry Accounting Committee, except where explicitly disclosed otherwise.

The Company has taken advantage of the exemptions under Financial Reporting Standards 1 - Cash Flow Statements not to prepare a Cash Flow Statement as the Company is included within the consolidated financial statements of Third Energy Holdings Limited (TEHL).

Going concern

The financial statements have been prepared on the going concern basis notwithstanding net current liabilities of £3,603,646 (2013: £4,157,453) which assumes that the Company will continue in operational existence for the foreseeable future.

The directors have reviewed the Group's forecasts for the period to 30th September 2016 which incorporate all firm commitments in accordance with the Group's business plans and which confirm that the Company can rely on the support of its parent company, Third Energy Holdings Limited. The directors believe that, with the continued support of its parent company, the Company can continue as a going concern, and has the necessary funding available to ensure that it continues to trade on the going concern basis, for the reasonably foreseeable future.

As with any company placing reliance on another group company for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The financial statements do not include any adjustments that might apply if this assumption were to prove to be incorrect.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

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.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that the assets will be recovered.

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

Foreign currencies

Assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

Third Energy UK Gas Limited

Accounting policies

Exploration and appraisal assets

Exploration and appraisal costs are accounted for on the "successful efforts" basis as set out in the SORP (see "Basis of preparation" on page 7).

Exploration and appraisal cost incurred prior to having secured the legal rights to explore an area and general seismic data and other costs not specifically directed to an identified exploration licence are expensed directly to the profit and loss account as they are incurred.

Costs of exploration and development are initially capitalised as exploration assets. Payments to acquire the legal right to explore, costs of technical services and studies, seismic acquisition, exploratory drilling and testing are capitalised as intangible exploration assets.

Intangible exploration assets are not amortised prior to the conclusion of appraisal activities but are carried forward until the existence of commercial reserves has been determined. If commercial reserves are determined to exist, the carrying value of the relevant exploration asset is then reclassified as a development and production asset. If commercial reserves are determined not to exist, the capitalised costs that had previously been carried in intangible assets are charged to the profit and loss account as exploration expense, as soon as that determination has been made. The status of such prospects is reviewed regularly by the directors.

Development and production assets

Development and production assets are accumulated on a field by field basis and represent the cost of developing the commercial reserves and bringing them to production, together with the exploration assets incurred in finding commercial reserves as described above.

Development and production assets also includes the cost of items purchased to be used on gas assets but held in stock to be used in future. A provision is made to ensure that the carrying value of these items does not exceed the value in use.

The cost of producing assets is depreciated using the unit of production method. The unit of production method is a means of computing the portion to be charged for the current period out of the total costs yet to be charged to the profit and loss account. That portion is represented by the ratio of production in the year and the estimated commercial reserves relating to that asset, taking into account future development expenditure necessary to bring those reserves to production.

Commercial reserves

Commercial reserves are defined as proved oil and gas reserves as set out in the SORP (see "Basis of preparation" on page 7).

Where unit of production calculations are required to be made in arriving at amounts stated within these financial statements, only commercial developed resources are used and not proved developed and undeveloped reserves as recommended by the SORP. The directors consider such method to reflect a more appropriate approach to the unit of production calculations. In this context, developed reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods.

Impairment of development and production assets

An impairment test is performed whenever a change in expectations indicates that the carrying value of a development or production asset, or group of assets, may be greater than the returns expected to be generated from that asset or group of assets.

Third Energy UK Gas Limited

Accounting policies

Impairment of development and production assets (continued)

The carrying value is compared against the expected recoverable amount of the asset, generally by reference to the present value of the future net cash flows expected to be generated from the commercial reserves associated with that asset. The recoverable amount is assumed to be the higher of estimated net realisable value or value in use. Value in use is calculated for each fixed asset and represents the present value of future net revenues to be derived from estimated reserves. If the net cash flows of a number of assets are interdependent, then the net cash flows of all interdependent assets are included in the impairment calculation.

Any impairment identified is charged to the profit and loss account as additional depreciation. If the conditions leading to the impairment change and the impairment test suggests that impairment previously charged should be reversed then a credit is taken to the profit and loss account, net of any depreciation that would have been charged since the impairment charge was made.

Other fixed assets

Plant and machinery and motor vehicles and equipment are stated at historical cost less accumulated depreciation and less any provision for impairment.

The decommissioning asset is stated at an amount equal to the initial provision for decommissioning less accumulated depreciation.

Depreciation is provided so as to write off the costs of the assets to residual values over the assets' useful estimated lives, on the following bases -

Motor vehicles and equipment	3-4 years	Straight line
Plant and Machinery	3 to 15 years	Straight line
Decommissioning asset	3 to 10 years	Straight line

Provision for decommissioning

A provision for decommissioning costs is recognised in full at the commencement of operations. The amount recognised is the present value of the estimated future expenditure that will be required to decommission the company's assets and bring the land back to the state that existed prior to the assets being built. The discount applied to the anticipated site restoration liability is subsequently released over the life of the field and is charged to interest expense.

A corresponding tangible fixed asset is created at an amount equal to the provision. This is subsequently depreciated as part of the capital costs of the production facilities.

Leasing and hire purchase commitments

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

Third Energy UK Gas Limited

Accounting policies

Turnover

Turnover represents amounts receivable from the sale of gas to its fellow subsidiary. Turnover is recognised at the point and time of delivery, net of trade discounts and VAT.

In 2014 the Company started a joint development with partners and the amounts receivable from partners in respect of amounts recharged is also disclosed as turnover.

Turnover is recognised at the point and time of delivery, net of trade discounts and VAT.

Third Energy UK Gas Limited

Notes to the financial statements
for the year ended 31 December 2014

1 Turnover	2014	2013
Turnover represents amounts receivable from the following:	£	£
Sales of gas to fellow subsidiary	666,632	506,075
Recharges to development partners	230,623	-
	<u>897,255</u>	<u>506,075</u>
2 Operating loss	2014	2013
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	322,067	117,967
Impairment of tangible assets	-	231,625
Exploration impairment	1,192,829	7,963,771
Auditor's remuneration in respect of the company	16,614	14,000
Operating leases - land and buildings	<u>298,201</u>	<u>278,111</u>
3 Staff costs	2014	2013
	£	£
Wages and salaries	510,082	630,027
Social security costs	51,801	69,324
Pension costs	<u>30,994</u>	<u>31,003</u>
	<u>592,877</u>	<u>730,354</u>
<p>The directors' remuneration is borne by Third Energy Holdings Limited. The directors do not believe it is practical to apportion the remuneration between their services to this company and their services as directors of the parent company and fellow subsidiary companies.</p> <p>The average monthly number of employees during the year was as follows:</p>		
	2014	2013
	No	No
Management and administration	4	4
Technical and operations	<u>14</u>	<u>14</u>
	<u>18</u>	<u>18</u>
4 Interest receivable	2014	2013
	£	£
Bank interest receivable	<u>2,043</u>	<u>1,621</u>
5 Interest payable and similar charges	2014	2013
	£	£
Unwinding of discount on decommissioning provision	165,550	12,585
Other interest payable	<u>7,836</u>	<u>7,785</u>
	<u>173,386</u>	<u>20,370</u>

Third Energy UK Gas Limited

Notes to the financial statements
for the year ended 31 December 2014

6 Taxation	2014	2013
<i>Analysis of charge in the period</i>	£	£
Current tax - UK corporation tax on profits for the period	-	-
Deferred tax - origination and reversal of timing differences	-	-
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>
<i>Factors affecting tax charge in the period</i>		
Loss on ordinary activities before taxation	<u>(4,415,901)</u>	<u>(11,243,548)</u>
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 62% (2013: 62%)	(2,737,859)	(6,971,000)
Expenses not deductible for tax purposes	1,644	11,323
Capital allowances in excess of depreciation	1,016,248	5,150,856
Interest not deductible for SCT	2,508	2,491
Losses generated in the period	<u>1,717,459</u>	<u>1,806,330</u>
Current tax charge	<u>-</u>	<u>-</u>

The effective rate of tax in 2014 was 62% (2013: 62%).

The Company has a potential deferred tax asset at 31 December 2014 of £45.7m (2013: £43.0m) consisting of accumulated tax losses and accelerated capital allowances of £77.1m (2013 £86.9m). This asset has not been recognised under FRS19 as it is not certain that the Company will have sufficient taxable profits for the losses to be utilised in the foreseeable future.

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the Company's future current tax charge accordingly.

The Budget on 18 March 2015 announced that the Supplementary Charge to Corporation Tax on ring fence profits will be reduced from 62% to 50% with effect from 1 January 2015. The reduction was enacted on 30 March 2015.

These changes will reduce the Company's future current tax charge accordingly and further reduce the deferred tax asset at 31st December 2014. The impact of the reduction in the Supplementary Charge will be to reduce the deferred tax assets by approximately £8.6m.

Third Energy UK Gas Limited

Notes to the financial statements
for the year ended 31 December 2014

7 Intangible fixed assets

	Exploration and development £	Total £
Cost		
At 1 January 2014	28,042,564	28,042,564
Additions	5,501,379	5,501,379
At 31 December 2014	<u>33,543,943</u>	<u>33,543,943</u>
Depreciation		
At 1 January 2014	11,744,463	11,744,463
Impairment	1,192,829	1,192,829
At 31 December 2014	<u>12,937,292</u>	<u>12,937,292</u>
Net book value		
At 31 December 2014	<u>20,606,651</u>	<u>20,606,651</u>
At 31 December 2013	<u>16,298,101</u>	<u>16,298,101</u>

8 Tangible fixed assets

	Gas develop- ment and production £	Decommiss- ioning asset £	Plant and machinery £	Motor vehicles and equipment £	Total £
Cost					
At 1 January 2014	10,005,651	2,235,653	1,175,077	90,359	13,506,740
Additions	103,754	-	13,396	14,779	131,929
Disposals	(161,075)	-	-	-	(161,075)
At 31 December 2014	<u>9,948,330</u>	<u>2,235,653</u>	<u>1,188,473</u>	<u>105,138</u>	<u>13,477,594</u>
Depreciation					
At 1 January 2014	9,364,435	2,009,678	1,173,542	64,795	12,612,450
Charge for the year	307,904	-	689	13,474	322,067
Removed on disposal	(80,536)	-	-	-	(80,536)
At 31 December 2014	<u>9,591,803</u>	<u>2,009,678</u>	<u>1,174,231</u>	<u>78,269</u>	<u>12,853,981</u>
Net book value					
At 31 December 2014	<u>356,527</u>	<u>225,975</u>	<u>14,242</u>	<u>26,869</u>	<u>623,613</u>
At 31 December 2013	<u>641,216</u>	<u>225,975</u>	<u>1,535</u>	<u>25,564</u>	<u>894,290</u>

9 Debtors

	2014 £	2013 £
Trade debtors	36,265	-
Amounts owed by group companies	1,078,642	2,246,231
Prepayments and other income	588,535	498,445
Other debtors	26,556	407,513
	<u>1,729,998</u>	<u>3,152,189</u>

Third Energy UK Gas Limited

Notes to the financial statements

for the year ended 31 December 2014

10 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	171,949	1,169,887
Amounts owed to group undertakings	5,147,473	5,706,052
Taxation and social security costs	13,747	14,728
Other creditors	3,719	3,895
Accruals and deferred income	51,069	719,786
	<u>5,387,957</u>	<u>7,614,348</u>
11 Creditors: amounts falling due after one year	2014	2013
	£	£
Amounts owed to group undertakings	<u>40,667,071</u>	<u>31,825,039</u>
12 Provisions for liabilities	2014	2013
	£	£
Decommissioning costs		
At 1 January	3,007,450	2,763,240
Addition to provision	-	231,625
Unwinding of discount to profit and loss account	165,550	12,585
At 31 December	<u>3,173,000</u>	<u>3,007,450</u>
13 Called up share capital	2014	2013
Ordinary shares of £1 each	No	No
Authorised	<u>11,600,000</u>	<u>11,600,000</u>
	£	£
Allotted, issued and fully paid	<u>11,600,000</u>	<u>11,600,000</u>
14 Statement of movement on reserves		Profit and loss account
		£
Deficit at 1st January 2014		(39,187,393)
Loss for the financial year		(4,415,901)
Deficit at 31 December 2014		<u>(43,603,294)</u>
15 Reconciliation of movement in shareholders' funds	2014	2013
	£	£
Deficit on shareholders' funds as at 31 January 2014	(21,797,551)	(10,554,003)
Loss for the financial year	(4,415,901)	(11,243,548)
Deficit on shareholders' funds as at 31 December 2014	<u>(26,213,452)</u>	<u>(21,797,551)</u>

Third Energy UK Gas Limited

Notes to the financial statements
for the year ended 31 December 2014

16 Operating lease commitments

At the Company had annual commitments under non-cancellable operating leases relating to land and buildings:

	2014	2013
Operating leases which expire:	£	£
Within one year	170,763	170,763
Within two to five years	7,659	7,659
After five years	16,497	16,497
	<u>194,919</u>	<u>194,919</u>

17 Guarantees and other financial commitments

The company is a member of a VAT group and the net potential liability under the group registration as of 31 December 2014 was £nil (2013: £nil).

18 Related party transactions

The Company has taken advantage of the exemption under Financial Reporting Standard No 8 not to disclose transactions between itself and other wholly owned Group companies.

19 Ultimate parent company

The immediate parent is Third Energy Onshore Limited. The smallest and largest group into which the Company is consolidated is Third Energy Holdings Limited. Copies of the accounts of Third Energy Holdings Limited can be obtained from 7th Floor, Portland House, Bressenden Place, London SW1E 5BH.

In the opinion of the directors, the ultimate parent company of Third Energy Holdings Limited is Barclays PLC. There is no ultimate controlling party.