

THE ENERGY SERVICES COMPANY LIMITED

Annual report

for the period ended 31 December 2001

Registered no: 2665218



THE ENERGY SERVICES COMPANY LIMITED

**Annual report
for the period ended 31 December 2001**

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**Directors' report
for the period ended 31 December 2001**

The directors present their report and the financial statements for the period ended 31 December 2001.

Review of business

During the period 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:

R H Browne (resigned 31 December 2001)
I Elcock

No director had any beneficial interest in the share capital of the company during the period ended 31 December 2001.

Directors' interests in the loan notes issued by Avon Energy Partners PLC at 31 December 2001 are disclosed in the accounts of Midlands Electricity plc, with the exception of the following:

R H Browne had 1,331 (31 March 2001: 22,419) loan notes.

By order of the Board



J S TURNER

Secretary

31 January 2002

THE ENERGY SERVICES COMPANY LIMITED

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Balance sheet at 31 December 2001

	Notes	31 December 2001	31 March 2001
Current assets			
Debtors	3	<u>£2</u>	<u>£2</u>
Capital and reserves			
Called-up share capital	4	<u>£2</u>	<u>£2</u>

In accordance with subsection (1) of section 249A of the Companies Act 1985 (the Act) the Company is exempt from the need to appoint auditors. No notice from the members requiring an audit has been deposited under section 249B in relation to the Company's financial statements for the period ended 31 December 2001.

The Directors are responsible for ensuring that the Company keeps accounting records in accordance with section 221 of the Act and for preparing financial statements that give a true and fair view and which otherwise comply with the requirements of the Act.

The financial statements on pages 2 to 4 were approved by the Board of Directors on 31 January 2002 and were signed on its behalf by:



**I Elcock
Director**

**Notes to the financial statements
for the period ended 31 December 2001**

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

	31 December 2001	31 March 2001
Amounts falling due within one year:		
Amounts due from group undertakings	<u>£2</u>	<u>£2</u>

4 Share capital

	31 December 2001	31 March 2001
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

	31 December 2001	31 March 2001
Opening and closing shareholders' funds	<u>£2</u>	<u>£2</u>

6 Ultimate holding company

At 31 December 2001 the Company's intermediate holding company was Avon Energy Partners Holdings, copies of the intermediate holding company's consolidated financial statements may be obtained from The Secretary, Avon Energy Partners Holdings, Whittington Hall, Whittington, Worcester, WR5 2RB.

The Directors regard FirstEnergy Corp. as the ultimate holding company and controlling party by virtue that it has a 100% interest in Avon Energy Partners Holdings. Copies of the ultimate holding company's consolidated financial statements may be obtained from The Secretary, FirstEnergy Corp., 76 South Main Street, Akron, Ohio, 44308, USA.