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JERSEY GAS COMPANY LIMITED

REPORT AND ACCOUNTS

31st DECEMBER 1995

## JERSEY GAS COMPANY LIMITED

Incorporated under "Lois 1918 - 1965 Sur La Compagne Du Gaz", now repealed, continuing in existence under the provisions of the Jersey Gas Company (Jersey) Law 1989.

## Directors

P FAIRCLOUGH, B.Sc., C.Eng., M.I. Gas E.  
27 Les Cherfs, Cobo, Castel, Guernsey

A SPRUCE  
Sans Pareil, Rue Sauvage, St Sampsons,  
Guernsey

R B GRAHAM, F.C.A.  
Cote du Nord, Clos des Emrais, Castel,  
Guernsey

D H BIRD  
Dandie, Le Dell Clos, Le Foulon,  
St Peter Port, Guernsey

M J WILLIAMS, B.Sc., C.Eng., M.I. Gas E.  
Kyrenia, Les Osmonds, St Sampsons,  
Guernsey

R St C STADDON  
1 Port de L'Ecluse, Mont Les Vaux,  
St Brelade, Jersey

C VANE  
9 Thornton Villas, Upper Kingscliff,  
St Helier, Jersey

## Secretary

K J OLLIVIER

## Auditors

BURNETT SWAYNE  
Charter Court  
Third Avenue  
Southampton

## Bankers

National Westminster Bank PLC  
23 Broad Street  
St Helier  
JERSEY

## Registered Office

Thomas Edge House  
Tunnell Street  
St Helier  
JERSEY

## JERSEY GAS COMPANY LIMITED

## NOTICE OF MEETING

NOTICE is hereby given that the Annual General Meeting of the Company will be held at Thomas Edge House, Tunnell Street, St Helier, Jersey on 30th April 1996 at 3.00 p.m.

for the following purpose:-

1. Election of Chairman.
2. Read Notice convening the Meeting.
3. Approve the minutes of the Annual General Meeting held on 20th April 1995.
4. Receive the Directors' Report and Accounts for the year to 31st December 1995.
5. Declare a Dividend.
6. Election of Directors.
7. Auditors' Report.
8. Appoint Auditors and to fix their remuneration.
9. Transact any other ordinary business of the company.

By Order of the Board

K J OLLIVIER

Secretary

Thomas Edge House  
Tunnell Street  
St Helier  
JERSEY

March 1996

## JERSEY GAS COMPANY LIMITED

## REPORT OF THE DIRECTORS

The Directors submit their report and the audited accounts for the year ended 31st December 1995.

Activities

The principal activity of the company is gas production, distribution and related activities.

Results

The results of the year are shown in the profit and loss account on page 6.

Dividend

The profit for the year after taxation amounted to £682,998 (1994 £714,139). It is recommended that this be allocated as follows:-

	1995	1994
Preference Dividends	11844	11844
Ordinary Dividends	-	-
Transfer to Reserves	671154	702295
	-----	-----
	682998	714139
	=====	=====

Directors

Messrs M J Williams and R Staddon retire in accordance with By-Law 66 and, being eligible, offer themselves for re-election.

Directors Responsibilities

The directors are responsible for preparing 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 of the company for that period and are in accordance with applicable laws.

In preparing those financial statements the directors are required to select suitable accounting policies and then apply them consistently, make judgements that are reasonable and prudent and prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with generally accepted accounting principles and the Jersey Gas Company (Jersey) Law 1989. 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.

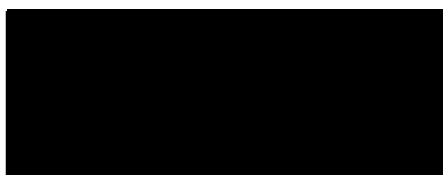
JERSEY GAS COMPANY LIMITED

REPORT OF THE DIRECTORS (continued)

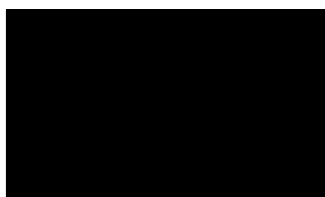
Auditors

The auditors, Burnett Swayne, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

By Order of the Board



Director



Director

March 1996

## JERSEY GAS COMPANY LIMITED

## AUDITORS REPORT TO THE MEMBERS OF JERSEY GAS COMPANY LIMITED

We have audited the financial statements on pages 6 to 20 which have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and the accounting policies set out on pages 11 and 12.

Respective Responsibilities of the Directors and Auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

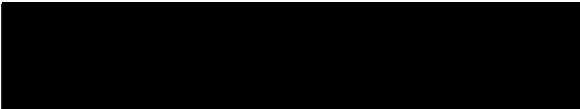
Basis of Opinion

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 31st December 1995 and of its profit for the year then ended and comply with the provisions regarding the financial administration of the company contained in article 37 of the Jersey Gas Company (Jersey) Law 1989.

  
Burnett Swayne  
Chartered Accountants and Registered Auditors  
Southampton

April 1996

## JERSEY GAS COMPANY LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st DECEMBER 1995

	Note	1995 £	1994 £
TURNOVER	1(v) & 2	5972517	5964415
Cost of Sales		4166959	4293615
		-----	-----
GROSS PROFIT		1805558	1670800
Net Operating Expenses:			
Administration Costs		945126	771534
		-----	-----
		945126	771534
		-----	-----
OPERATING PROFIT		860432	899266
Loss on sale of properties		-	-
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		860432	899266
Interest (net)	3	( 372 )	( 862 )
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	860804	900128
Taxation	5	177806	185989
		-----	-----
PROFIT FOR THE FINANCIAL YEAR		682998	714139
Dividends	6	11844	11844
		-----	-----
RETAINED PROFIT FOR THE YEAR		671154	702295
		=====	=====

All of the company's operations are classed as continuing.

The notes on pages 11 to 20 form part of these financial statements. A statement of movements on reserves is given in note 16.

## JERSEY GAS COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31st DECEMBER 1995

	1995 £	1994 £
Profit/(Loss) for the financial year	682998	714139
Unrealised (deficit)/surplus on revaluation of properties	-	( 40000 )
	-----	-----
Total recognised profits relating to the year	682998	674139
	=====	=====

NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31ST DECEMBER 1995

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalent.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS  
FOR THE YEAR ENDED 31ST DECEMBER 1995

	1995 £	1994 £
Profit/(Loss) for the financial year	682998	714139
Dividends	( 11844 )	( 11844 )
Other recognised gains relating to the year	-	( 40000 )
	-----	-----
Opening shareholders' funds	671154 8755061	662295 8092766
	-----	-----
Closing shareholders' funds	9426215	8755061
	=====	=====



JERSEY GAS COMPANY LIMITED			
BALANCE SHEET AT 31st DECEMBER 1995			
	Note	1995 £	1994 £
<b>FIXED ASSETS</b>			
Tangible Assets	1(ii) & 7	10089853	9930951
<b>CURRENT ASSETS</b>			
Stock and Work in Progress	1(iii) & 8	491128	492075
Debtors	9	3042396	1761658
Cash at Bank and in Hand		26408	390
		-----	-----
		3559932	2254123
		=====	=====
<b>CURRENT LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Creditors	10	2222473	1163719
Bank Overdraft & Short Term Loans	11	350000	385495
States Income Tax		137613	118854
Proposed Dividends	6	5922	5922
		-----	-----
		2716008	1673990
		=====	=====
<b>NET CURRENT ASSETS</b>		843924	580133
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10933777	10511084
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>			
States Income Tax		140598	136563
Creditors	12	466500	710000
Provision for Liabilities & Charges	14	900464	909460
		-----	-----
		1507562	1756023
		-----	-----
<b>NET ASSETS</b>		9426215	8755061
		=====	=====
<b>CAPITAL AND RESERVES</b>			
<b>Equity Shareholders Funds</b>			
Called up Share Capital	15	915000	915000
Share Premium Account	16	962	962
Revaluation Reserve	16	1536783	1536783
Capital Reserve	16	2850100	2850100
Profit & Loss Account	16	3764466	3093312
		-----	-----
		9067311	8396157
<b>Non Equity Shareholders Funds</b>			
Called Up Share Capital	15	358904	358904
		-----	-----
		9426215	8755061
		=====	=====

The accounts on pages 6 to 20 were approved by the board of directors on 28th March 1996 and were signed on its behalf by:-



Directors



The notes on pages 11 to 20 form part of these financial statements.



## JERSEY GAS COMPANY LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDING 31st DECEMBER 1995

	1995	1994
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	1275602	1273624
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest Received	2305	2400
Interest Paid	( 562 )	( 370 )
Dividends Paid	( 11844 )	( 11844 )
	-----	-----
Net Cash (Outflow) from returns on investments and servicing of finance	( 10101 )	( 9814 )
		-----
TAXATION		
States Income Tax Paid	( 117804 )	( 33515 )
	-----	-----
Net Cash (Outflow) from Taxation	( 117804 )	( 33515 )
		-----
INVESTING ACTIVITIES		
Purchase of tangible fixed assets	( 752344 )	( 1280477 )
Sale of tangible fixed assets	8260	250225
	-----	-----
Net Cash (Outflow) from Investing Activities	( 744084 )	( 1030252 )
	-----	-----
Net Cash Inflow/(Outflow) before Financing	403613	200043
FINANCING		
Loan Advances	106500	2600
Repayment of Loans	( 300000 )	( 300000 )
Grants received	961400	-
Loans to ultimate parent undertaking	( 1060000 )	-
	-----	-----
	( 292100 )	( 297400 )
	-----	-----
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	111513	( 97357 )
	=====	=====

Note 18 forms part of this statement.

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 1995

## 1. ACCOUNTING POLICIES

## (i) Basis of Presentation

The accounts have been prepared under the historical cost convention, and modified by the revaluation of land and buildings, in accordance with applicable accounting standards.

## (ii) Tangible Fixed Assets

Depreciation is provided at rates calculated to write off the cost of fixed assets on the straight line method over their estimated useful lives.

The principal rates in use are:-

	%
Land & Buildings	
- freehold building	2
Plant & Machinery	10-33
Vehicles	20-25

## (iii) Investment Properties

In accordance with SSAP 19, investment properties are revalued annually and any material surplus or deficit is transferred to a revaluation reserve. No amortisation is provided on the properties.

Where a revaluation deficit arises on a property, and this is considered by the directors to be a permanent deficit, then the deficit is charged to the profit and loss account.

Independent professional valuations are undertaken every three years and annual reviews of these valuations are carried out by qualified internal staff.

## (iv) Stock and Work in Progress

Stock has been valued at the lower of cost and net realisable value. Work in progress has been valued at cost of direct materials and labour.

## (v) Turnover

Turnover represents the value of sales and services invoiced to customers. The company does not account for gas sales until meters are read.

## (vi) Deferred Taxation

Deferred taxation is provided using the liability method in respect of the taxation effect on all timing differences to the extent that it is probable the liabilities will crystallise in the future.

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

## (vii) Pension Contributions

The Company operates a defined benefit pension scheme. The funds are valued every three years by a professionally qualified independent actuary, the rates of contribution payable are determined by the actuary. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period the Company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the scheme.

The Company has certain past employees for whom pensions have not been funded externally. A provision for the capital cost of funding these pensions is renewed annually. The charge against profits represents the pensions paid net of any movement in the provision.

## (viii) Finance and Operating Leases

Fixed assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The capital element of future payments is treated as a liability and the interest element is charged to profit and loss account as it accrues. Costs in respect of operating leases are charged to operating profit as they are incurred.

## 2. TURNOVER

	1995	1994
	£	£
The company turnover comprises:-		
Trading Activities	5804861	5847349
Rents	167656	117066
	-----	-----
	5972517	5964415
	=====	=====

## 3. INTEREST

	1995	1994
	£	£
Interest Payable		
Loans & overdrafts wholly repayable within 5 years	1933	1538
Bank	-	-
	-----	-----
	1933	1538
Less: Interest receivable	( 2305 )	( 2400 )
	-----	-----
	( 372 )	( 862 )
	=====	=====

JERSEY GAS COMPANY LIMITED  
NOTES TO THE ACCOUNTS (continued)

4.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1995 £	1994 £
	Profit on ordinary activities before taxation is stated after charging/(crediting):		
	Depreciation	577929	579827
	(Profit)/Loss on disposal of other fixed assets	( 3357 )	4573
	Operating Lease Rentals		
	- Land & Buildings	55198	58392
	- Plant & Machinery	10545	6775
	Auditors Remuneration		
	- Audit	16000	13000
	- Other Services	-	2600
	Net Rental Income	( 152422 )	( 48685 )
		=====	=====
5.	TAXATION	1995 £	1994 £
	The taxation charge for the year comprises:		
	States of Jersey Income Tax at 20% (1994 20%) on the results for the year	140598	136563
	Deferred Taxation	37208	49426
		-----	-----
		177806	185989
		=====	=====
6.	DIVIDENDS	1995 £	1994 £
	Equity Shares:		
	Ordinary Shares paid	-	-
	Non-Equity Shares:		
	5% Cumulative Preference Shares	38	38
	3% Cumulative Preference Shares	1884	1884
	5% Cumulative A Preference Shares	4000	4000
		-----	-----
		5922	5922
		=====	=====
	Equity Shares:		
	Ordinary Shares proposed	-	-
	Non-Equity Shares:		
	5% Cumulative Preference Shares	38	38
	3% Cumulative Preference Shares	1884	1884
	5% Cumulative A Preference Shares	4000	4000
		-----	-----
		5922	5922
		-----	-----
		11844	11844
		=====	=====

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

## 7. TANGIBLE FIXED ASSETS

	Investment Properties £	Freehold Land and Buildings £	Plant & Machinery £	Motor Vehicles £	Total £
Cost or Valuation					
At 31.12.1994	3576613	1794200	7726717	192285	13289815
Additions	386207	-	323797	31730	741734
Disposals	-	-	( 4731 )	( 28738 )	( 33469 )
Revaluation adjustment	-	-	-	-	-
At 31.12.1995	3962820	1794200	8045783	195277	13998080
Depreciation					
At 31.12.1994	-	28228	3202275	128361	3358864
Accounts Charge	-	28228	515399	34302	577929
Disposals	-	-	( 4101 )	( 24465 )	( 28566 )
At 31.12.1995	-	56456	3713573	138198	3908227
Net Book Value					
31.12.1995	3962820	1737744	4332210	57079	10089853
Net Book Value					
31.12.1994	3576613	1765972	4524442	63924	9930951

The freehold properties were revalued on 31st December 1993 by Lovell & Partners Limited on the basis of open market value. The value of the freehold property under the historical cost accounting rules at 31st December 1995 was £4,163,781 (1994 £3,834,030). Included in freehold land and buildings is land which is not depreciated, amounting to £382,800. In the opinion of the directors, the investment properties have been included at a value which is not materially different from the open market value.

## 8. STOCKS

	1995 £	1994 £
Work in Progress	59806	87926
Other Stock	431322	404149
	491128	492075

JERSEY GAS COMPANY LIMITED  
NOTES TO THE ACCOUNTS (continued)

9.	DEBTORS	1995	1994
		£	£
	Amounts falling due within one year:		
	Trade Debtors	685304	516965
	Amounts due from Group Companies	2050000	990000
	Other Debtors	37474	55439
	Prepayments and Accrued Income	110950	91261
		-----	-----
		2883728	1653665
	Amounts falling due after more than one year:		
	Trade Debtors	115681	72993
	Loans	42987	35000
		-----	-----
		158668	107993
		-----	-----
		3042396	1761658
		=====	=====
10.	CREDITORS	1995	1994
		£	£
	Amounts falling due within one year:		
	Trade Creditors	709296	488893
	Amounts due to Group Companies	150000	175000
	Other Creditors	1042077	78104
	Accruals and Deferred Income	232780	221089
	Provision for Pensions	88320	200633
		-----	-----
		2222473	1163719
		=====	=====
11.	BANK OVERDRAFT AND LOANS	1995	1994
		£	£
	Repayable within one year:		
	Bank - Overdraft	-	85495
	States of Jersey Loan	300000	300000
	Loan	50000	-
		-----	-----
		350000	385495
		=====	=====
12.	CREDITORS	1995	1994
		£	£
	Amounts falling due after more than one year:		
	States of Jersey Loan	300000	600000
	Other Loans	166500	110000
		-----	-----
		466500	710000
		=====	=====



## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

13. STATES OF JERSEY LOANS	1995	1994
	£	£
Amount payable within one year	300000	300000
Payable in one to two years	300000	300000
Payable in two to five years	-	300000
	-----	-----
	600000	900000
	=====	=====

The States of Jersey loan is interest free, and is secured on the company's freehold property, with the exception of four houses occupied by employees.

14. PROVISIONS FOR LIABILITIES AND CHARGES	Pension Obligations	Deferred Taxation	Total
At 1st January 1995	509923	399537	909460
(Credited)/charged to profit and loss account	( 46204 )	37208	( 8996 )
	-----	-----	-----
	463719	436745	900464
	=====	=====	=====

Deferred taxation provided in the accounts is as follows:-

	1995	1994
	£	£
Accelerated Capital Allowances	547153	541648
Other Timing Differences	( 110408 )	( 142111 )
	-----	-----
	436745	399537
	=====	=====

15. SHARE CAPITAL	1995	1994
	£	£
Authorised:		
Equity Shares:		
Ordinary Shares of £1 each	915000	915000
Non Equity Shares:		
5% Cumulative Preference Shares of £1 each	3000	3000
3% Cumulative Preference Shares of £1 each	157000	157000
5% Cumulative 'A' Preference Shares of £1 each	200000	200000
	-----	-----
	1275000	1275000
	=====	=====

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

## 15. SHARE CAPITAL (continued)

	1995	1994
	£	£
Allotted, Called Up and Fully Paid:		
Equity Shares:		
Ordinary Shares of £1 each	915000	915000
	-----	-----
Non Equity Shares:		
5% Cumulative Preference Shares of £1 each	1904	1904
3% Cumulative Preference Shares of £1 each	157000	157000
5% Cumulative 'A' Preference Shares of £1 each	200000	200000
	-----	-----
	358904	358904
	-----	-----
	1273904	1273904
	=====	=====

## Dividends:

The three categories of preference shares are not entitled to participate in the profits of the company, other than to the extent of their fixed dividend.

The ordinary shares rate and abate equally in respect of any distribution, but are specifically excluded from the fixed preference dividend distributions.

## Voting Rights:

Ordinary Shares and  
5% Cumulative Preference  
Shares - one vote for every share up to a maximum of  
five hundred shares, and then one vote for every  
five shares held thereafter;

3% Cumulative Preference  
Shares and  
5% Cumulative 'A'  
Preference Shares - One vote for every ten shares held.

## Rights on Winding Up of the Company:

If the Company was to be wound up, the assets available for distribution amongst the members shall be applied in the following order:-

- (i) Repay to all members the amounts paid up on shares held;
- (ii) Any excess to be distributed amongst the holders of Ordinary Shares in proportion to the amount which at the time of going into liquidation had been actually paid up on their said shares respectively.

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

16. RESERVES	Share Premium £	Revaluation Reserve £	Capital Reserve £	Profit & Loss a/c £
At 31.12.1994	962	1536783	2850100	3093312
Retained Profit for Period	-	-	-	671154
	-----	-----	-----	-----
At 31.12.1995	962	1536783	2850100	3764466
	=====	=====	=====	=====

## 17. PENSION SCHEME

The company operates a defined benefit pension scheme. The scheme is funded and the assets held separately from those of the company and are invested with an insurance company. The contribution rate is determined with the advice of independent qualified actuaries on the basis of triennial valuations using both the current and projected unit method with a twenty year control period. The results of the most recent valuations which were conducted as at 1st July 1994 were as follows:

**Main Assumptions**

Annual Rate of return on investments	9.0%
Annual rate of salary increases	8.0%
Market value of scheme assets (£000)	1344
Level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members:	
on current salaries	243%
after allowing for future assumed salary increases	114%

There are no deficiencies when the levels of funding are calculated on a current unit method. Any deficiencies calculated on the projected unit method will be eliminated by current contributions over the control period.

The company has certain past employees whose pensions have not been funded by any schemes.

The provision for the present value of the capital costs of these pension amounts to £552,039 (1994 £610,056). The reduction in the provision of £58,017 (1994 £51,812) has been credited against the amounts paid to pensioners in 1995.

Pension costs comprise:	1995	1994
	£	£
Funded scheme	89246	79520
Unfunded scheme	30303	48321
	-----	-----
	119549	127841
	=====	=====

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

## 18. CASH FLOW STATEMENT

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities	1995 £	1994 £
Operating Profit	860432	899266
Depreciation	577929	579827
(Profit)/Loss on Sale of Tangible Fixed Assets	( 3357 )	4573
Decrease/(Increase) in Stocks	947	( 44226 )
(Increase) in Debtors	( 220738 )	( 66540 )
Increase/(Decrease) in Creditors	60389	( 99276 )
	-----	-----
Net Cash Inflow from operating activities	1275602	1273624
	=====	=====
Analysis of Changes in Cash and Cash Equivalents during the Year		
Balance at 31st December 1994	( 85105 )	12252
Net Cash Inflow/(Outflow)	111513	( 97357 )
	-----	-----
Balance at 31st December 1995	26408	( 85105 )
	=====	=====

Analysis of the Balance of Cash and  
Cash Equivalent as shown in the  
Balance Sheet

	1995 £	1994 £	1993 £	Change 1995 £	Change 1994 £
Cash at Bank and in Hand	26408	390	12252	26018	( 11862 )
Bank Overdrafts	-	( 85495 )	-	85495	( 85495 )
	-----	-----	-----	-----	-----
	26408	( 85105 )	12252	111513	( 97357 )
	=====	=====	=====	=====	=====

## Analysis of Changes in Financing

	Loans		Grants	
	1995 £	1994 £	1995 £	1994 £
Balance at 1st January 1995	1010000	1307400	-	-
Cash (Outflow)	( 193500 )	( 297400 )	961400	-
	-----	-----	-----	-----
Balance at 31st December 1995	816500	1010000	961400	-
	=====	=====	=====	=====

## JERSEY GAS COMPANY LIMITED

## NOTES TO THE ACCOUNTS (continued)

## 19. COMMITMENTS

	1995	1994
	£	£
Capital Commitments:-		
Expenditure contracted		
but not provided for:	566427	-
Expenditure authorised		
but not contracted for:	-	-
	-----	-----
	566427	-
	=====	=====

## Lease Commitments:-

At 31st December 1995 the company had annual commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other	
	1995	1994	1995	1994
	£	£	£	£
Operating leases which expire:				
Within two to five years	-	-	8458	6775
In over five years	66198	81519	-	-
	-----	-----	-----	-----
	66198	81519	8458	6775
	=====	=====	=====	=====

## 20. CONTINGENT LIABILITIES

The company has given an unlimited guarantee to National Westminster Bank PLC for all monies owing to the bank by International Energy Group Limited and its other subsidiary undertakings, which at 31st December 1995 amounted to £3,934,390.

## 21. ULTIMATE PARENT COMPANY

The company's ultimate parent company is International Energy Group Limited, a Guernsey registered company.