Northern Gas Networks Limited
Profit and loss account
For the six months ended 30 June 2008

	2008 £'000	2007 £'000
Turnover	170,458	144,176
Cost of sales	(8,406)	(6,547)
Gross profit	162,052	137,629
Other operating expenses	(122,371)	(110,053)
Operating profit	39,681	27,576
Finance charges (net)	(26,162)	(23,859)
Profit on ordinary activities before taxation	13,519	3,717
Tax on profit on ordinary activities	(7,169)	(4,282)
Profit (loss) for the financial period	6,350	(565)

Northern Gas Networks Limited

Statement of total recognised gains and losses

For the six months ended 30 June 2008

	2008 £'000	2007 £'000
Profit (loss) for the financial period	6,350	(565)
Actuarial (loss) gain relating to the pension scheme	(25,596)	5,007
Deferred tax attributable to actuarial (loss) gain	7,167	(1,504)
Total recognised (losses) gains relating to the period	(12,079)	2,938

Northern Gas Networks Limited
Balance sheet
30 June 2008

	2008 £'000	2007 £'000
Fixed assets		
Intangible assets - Goodwill	151,780	155,892
Tangible assets	1,382,815	1,377,378
Investments	154	154
	1,534,749	1,533,424
Current assets		
Debtors – amounts due within one year	24,129	22,321
Cash at bank and in hand	12,410	25,889
	36,539	48,210
Creditors: Amounts falling due within one year	(187,419)	(155,095)
Net current liabilities	(150,880)	(106,885)
Total assets less current liabilities	1,383,869	1,426,539
Creditors: Amounts falling due after more than one year	(921,677)	(914,575)
Provisions for liabilities and charges excluding pension liability	(120,412)	(122,677)
Net assets excluding pension liability	341,780	389,287
Pension liability	(26,661)	(14,717)
Net assets including pension liability	315,119	374,570
Capital and reserves		
Called-up share capital	-	-
Profit and loss account	315,119	374,570
Equity shareholders' funds	315,119	374,570

Approved by the Board of Directors on 8 September 2008 and signed on its behalf by:

B Scarsella Director

Northern Gas Networks Limited
Cash flow statement
For the six months ended 30 June 2008

	2008 £'000	2007 £'000
Net cash inflow from operating activities	72,556	55,844
Returns on investments and servicing of finance	(27,654)	(24,256)
Taxation – UK corporation tax (paid) received	(977)	1,600
Capital expenditure and financial investment	(19,958)	(16,108)
Equity dividends paid	(15,750)	(15,000)
Cash inflow before financing	8,217	2,080
Financing	3,000	19,000
Increase in cash in the period	11,217	21,080