

Registration number: 03922153

Centrica Overseas Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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Centrica Overseas Holdings Limited

Contents

Strategic Report	1 to 4
Directors' Report	5 to 8
Statement of Directors' Responsibilities	6
Independent Auditors' Report	9 to 12
Income Statement	13
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Notes to the Financial Statements	17 to 34

Centrica Overseas Holdings Limited

Strategic Report for the Year Ended 31 December 2021

The Directors present their Strategic Report for Centrica Overseas Holdings Limited (the 'Company') for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is to act as an investment holding company.

Section 172(1) Statement

In promoting the success of the Company, the Directors must consider the interests of stakeholders and the other matters required by section 172(1) (a) to (f) of the Companies Act, 2006.

This Section 172(1) Statement describes the relevant items for the Company. The Company is a subsidiary of Centrica plc and its activities support the wider strategy of the Centrica Group. Where appropriate, for example, in matters of long-term strategy, decision-making is aligned with that of the ultimate parent company Board, ensuring that stakeholders of the Company have been rigorously considered.

General confirmation of Directors' duties

Directors are fully aware of and understand their statutory duties under the Act. Day to day authority is delegated to executives, and the Directors are supported by management in setting, approving and overseeing the execution of the business strategy and related policies. The executives consider the Company's activities, such as reviewing financial and operational performance, business strategy, key risks, stakeholder-related matters, governance, and legal and regulatory compliance and make decisions.

Section 172(1) of the Act provides that each Director must ensure that they act in the way they consider, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to section 172(1) (a) to (f) as described below.

(a) The likely consequences of any decision in the long term

The Directors remain conscious that decisions made could have an impact on other stakeholders where relevant. By considering the Group's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, we aim to ensure that our decisions are consistent and appropriate in all circumstances. Decisions regarding payment of any dividends by subsidiary companies are taken at a Group level based upon the expertise and professional guidance of the Group's financial controllers, taking into account a range of factors including: the long-term viability of the Company; its expected cash flow and financing requirements; the ongoing need for strategic investment in the Company; and the expectations of the ultimate parent company's shareholders as supplier of long-term equity capital to the Company.

(b) The interests of the company's employees

Although the Directors recognise that employees within the Group are fundamental to the future growth and success of Centrica, the Company has no direct employees; therefore, the consideration of the interests of the Company's employees has not applied to the decisions made by the Directors.

(c) The need to foster the company's business relationships with suppliers, customers and others

Centrica plc recognises the benefits for all Group companies of engaging with a broad range of stakeholders and that developing and delivering the Group's strategy depends on building and maintaining constructive relationships. In ensuring the Company fosters the business relationships with suppliers, customers and others, the Company and its Directors are therefore supported by the overarching programme of extensive engagement with such stakeholders that is conducted across the wider Centrica Group. However, as the principal activity of the Company is to act as an investment holding company, its stakeholders during the period comprise other Centrica Group companies, and, as such, the breadth of stakeholder considerations that would often apply in operating or commercial trading companies have generally not applied.

Centrica Overseas Holdings Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

(d) The impact of the company's operations on the community and the environment

Centrica plc appreciates that collaboration with charities and community groups helps to create stronger communities and provides insights that enable the Group to understand the impact of all Group companies on the community and environment, and the consequences of its decisions in the long term. In ensuring the Company takes into account the impact of its operations on the community and the environment, the Company and its Directors are supported by the overarching programme of extensive engagement with the community and wider environment that is conducted across the wider Centrica Group. Further information about how the Centrica Group engages with communities and NGOs can be found on pages 30 to 31 of Centrica plc's Annual Report and Accounts 2021.

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The Board adheres to Centrica Group's "Our Code" code of conduct which all Centrica Group employees are subject to setting out the high standards and behaviours we expect from those that work for us or with us.

(f) The need to act fairly as between members of the company

The Company's activities support the wider strategy of the Centrica Group and, owing to the fact the Company is a wholly owned subsidiary of Centrica plc, the Directors are required only to balance the interests of corporate shareholders that are themselves wholly owned subsidiaries of Centrica plc, rather than any third party members.

Culture

The Company's culture is set by the Group and embedded in all we do. Further information on the Group's culture can be found on pages 26 to 36 of Centrica plc's Annual Report and Accounts 2021.

Stakeholder Engagement

As is normal for large companies, the Directors delegate authority for day to day management of the Company to executives engaged in setting, approving and overseeing execution of the business strategy and related policies of the Group. While there may be cases where the Directors judge that the Company should engage directly with certain stakeholder groups or on specific issues, the size and spread of both our stakeholders and the Group means that generally, stakeholder engagement best takes place at an operational or Group level. The Directors consider that as well as being a more efficient and effective approach, this also helps achieve a greater positive impact on environmental, social and other issues than working alone as an individual company. A description of how the Group engages with its stakeholders is set out on pages 8 to 9 of Centrica plc's Annual Report and Accounts 2021.

Ukraine conflict

The Company is a subsidiary of the Centrica group, and as such is impacted by the energy crisis and Ukraine conflict. The energy markets remain very volatile, but the Centrica group continues to maintain a hedging strategy aligned to the price cap to minimise the exposure to market prices. The Company does not own any businesses or operate in Russia or Ukraine and so has no direct impacts from those two countries. Furthermore, the Company has no investments in Russian entities or bonds. The Company is not expecting any direct material impacts but will keep monitoring the position.

Review of the business

The financial position of the Company is presented in the Statement of Financial Position on page 15. Total equity as at 31 December 2021 was £772,897,000 (2020: £824,186,000). The loss for the financial year ended 31 December 2021 was £51,289,000 (2020: £67,952,000 loss).

In 2021, the Company recognised a provision for expected credit losses on financial assets, in respect of amounts receivable from Group undertakings, of £15,551,000 (2020: £26,841,000).

Investments of £1,600,000,000 on the balance sheet with no further impairments recognised in 2021. See note 9 for further details of the Company's investments.

Centrica Overseas Holdings Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

On 18 November 2021, the amount owned by Panoramic Power Limited of US\$ 51,348,000 (£38,076,000) to Centrica Finance (US) Limited was novated to Centrica Overseas Holding Limited. The accrued interest at a quarterly rate determined by Group Treasury are linked to the Group cost of funds. The range of the quarterly rate charged on the loan was between 5.29% and 6.02% (2020: 5.64% and 6.91%).

On the date of novation, the total credit loss provision of US\$ 51,348,000 (£38,076,000) against the Panoramic Power receivable balance was also transferred to Centrica Overseas Holding Limited.

See note 2 for further details of the Company's impairment testing policy and note 5 for details of impairments and impairment reversals.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with those of the Centrica plc group (the 'Group') and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 38-43 of the Group's Annual Report and Accounts 2021, which does not form part of this report.

The Company is exposed to interest rate risks linked to Centrica plc Group's ('the Group') cost of funds. Centrica plc manages the interest rate risk on long-term borrowings in line with the Group policy by ensuring the exposure to floating point interest rates remain in the range 30% to 70% including the impact of interest rate derivatives.

The Company is exposed to changes in the exchange rate of Pounds Sterling to Canadian Dollars, Euros and Norwegian Krone. This is managed by having matching assets and liabilities in each currency. Some of the assets are investments which are not revalued resulting in a risk on re-translation of working capital balances. The Directors are satisfied that in the long term the level of risk is acceptable for the Company and in the short term is consistent with the hedging policies of the Group.

Key performance indicators ('KPIs')

Given the nature of the business, the Company's Directors are of the opinion that the KPIs necessary for an understanding of the development, performance and position of the Company are net assets and profit after tax, and these are shown above.

Future developments

On 5 January 2021, the Group sold its North American supply, services and trading business, Direct Energy, to NRG Energy Inc. The Company had indirect investments in the Canadian business of Direct Energy, via its subsidiary undertaking, Centrica Gamma Holdings Limited, which were disposed of as part of the transaction.

The Company will continue its principal activity of acting as an investment holding company and providing funding to the Group's overseas entities for the foreseeable future.

Approved by the Board on ...12/09/2022 and signed on its behalf by:

Centrica Overseas Holdings Limited

Strategic Report for the Year Ended 31 December 2021 (continued)



.....
By order of the Board for and on behalf of Centrica Secretaries Limited
Company Secretary

Company registered in England and Wales, No. 03922153

Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
United Kingdom

Centrica Overseas Holdings Limited

Directors' Report for the Year Ended 31 December 2021

The Directors present their report and the audited financial statements for the year ended 31 December 2021.

Directors of the Company

The Directors of the Company, who were in office during the year and up to the date of signing the financial statements were as follows:

K B Ringrose (resigned 26 July 2021)

G J Kendall

R Roy

M Blake (appointed 26 July 2021)

Results and dividends

The results of the Company are set out on page 13. The loss for the financial year ended 31 December 2021 is £51,289,000 (2020: £67,952,000 loss).

The Company did not pay an interim dividend to its immediate parent undertaking GB Gas Holdings Limited (2020: £nil). The Directors do not recommend the payment of a final dividend (2020: £nil).

Financial instruments

Financial risk management policy

The Directors have established objectives and policies for managing financial risks to enable the Company to achieve its long-term shareholder value growth targets within a prudent risk management framework. These objectives and policies are regularly reviewed.

The Company's policy for the management of risk in relation to its financial instruments is included in the Strategic Report on page 3.

Future developments

Future developments are discussed in the Strategic Report on page 3.

Going concern

The Directors have received confirmation that provided the Company remains part of the Group, Centrica plc will support the Company for at least one year after the financial statements were authorised for issue and that amounts owed to Group undertakings will not be required to be repaid for the foreseeable future unless sufficient financial resources and facilities are available to the Company.

In the context of the continuing economic uncertainty caused by commodity price volatility and energy market uncertainty, the Directors have updated their Group going concern assessment as at 30 June 2022 to factor in the Group's updated principal risks, strategy and forecasts, together with modelling further downside sensitivities. The going concern assessment has considered the financial impact on the Group's credit and liquidity headroom of certain stress events impacting the Group's key risks over a 12-18 month horizon. The Group's forecasts show that the Group will maintain sufficient headroom, underpinned by unrestricted cash and cash equivalents, net of bank overdrafts, of c.£3.4 billion as at 30 June 2022, and c.£2.9 billion of undrawn committed facilities, which remain committed until at least 2024.

The Centrica Group interim results were released on 28th July 2022. These demonstrated a resilient financial performance despite a difficult energy supply situation, increases in wholesale gas price, and the ongoing challenges caused by the pandemic. The Group's balance sheet continues to be much stronger than 2020, with a positive cash position of £0.3 billion compared to 2020 when the Group had net debt of £3.0 billion and an overall adjusted operating profit of £1,342m at half year.

Centrica Overseas Holdings Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

In the context of the continuing economic uncertainty caused by commodity price volatility and energy market uncertainty, the Directors have updated their Group going concern assessment as at 30 June 2022 to factor in the Group's updated principal risks, strategy and forecasts, together with modelling further downside sensitivities. The going concern assessment has considered the financial impact on the Group's credit and liquidity headroom of certain stress events impacting the Group's key risks over a 12-18 month horizon. The Group's forecasts show that the Group will maintain sufficient headroom, underpinned by unrestricted cash and cash equivalents, net of bank overdrafts, of c.£3.4 billion as at 30 June 2022, and c.£2.9 billion of undrawn committed facilities, which remain committed until at least 2024.

The Centrica Group interim results were released on 28th July 2022. These demonstrated a resilient financial performance despite a difficult energy supply situation, increases in wholesale gas price, and the ongoing challenges caused by the pandemic. The Group's balance sheet continues to be much stronger than 2020, with a positive cash position of £0.3 billion compared to 2020 when the Group had net debt of £3.0 billion and an overall adjusted operating profit of £1,342m at half year.

On the basis of the enquiries made, and the fact that Centrica plc, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK 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), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Centrica Overseas Holdings Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Disclosure of information to auditors

Each of the Directors who held office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Centrica Overseas Holdings Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Auditors

In accordance with Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Approved by the Board on12/09/2022 and signed on its behalf by:



.....
By order of the Board for and on behalf of Centrica Secretaries Limited
Company Secretary

Company registered in England and Wales, No. 03922153
Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
United Kingdom

Centrica Overseas Holdings Limited

Independent Auditors' Report to the Members of Centrica Overseas Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Centrica Overseas Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Centrica Overseas Holdings Limited

Independent Auditors' Report to the Members of Centrica Overseas Holdings Limited (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the documentation of the policies and procedures relating to fraud and compliance with laws and regulations that has been established by the Company's ultimate parent. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Centrica Overseas Holdings Limited

Independent Auditors' Report to the Members of Centrica Overseas Holdings Limited (continued)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, 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.

We have nothing to report in respect of these matters.

Centrica Overseas Holdings Limited

Independent Auditors' Report to the Members of Centrica Overseas Holdings Limited (continued)

Use of our report

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.

D. Winstone

Daryl Winstone (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom

Date: 12/9/22

Centrica Overseas Holdings Limited

Income Statement for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Operating costs		(32)	2,148
Exceptional items - provision charge for credit losses on financial assets	5	<u>(15,551)</u>	<u>(26,841)</u>
Operating loss		<u>(15,583)</u>	<u>(24,693)</u>
Finance income	6	64,924	65,456
Finance costs	6	<u>(100,694)</u>	<u>(108,647)</u>
Net finance cost		<u>(35,770)</u>	<u>(43,191)</u>
Loss before taxation		(51,353)	(67,884)
Taxation (charge)/credit on profit/(loss)	8	<u>64</u>	<u>(68)</u>
Loss for the year		<u><u>(51,289)</u></u>	<u><u>(67,952)</u></u>

The above results were derived from continuing operations.

Centrica Overseas Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 December 2021

	2021 £ 000	2020 £ 000
Loss for the year	<u>(51,289)</u>	<u>(67,952)</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive expense for the year	<u>(51,289)</u>	<u>(67,952)</u>

The notes on pages 17 to 34 form an integral part of these financial statements.

Centrica Overseas Holdings Limited

Statement of Financial Position as at 31 December 2021

		(As restated)	
	Note	2021 £ 000	2020 £ 000
Non-current assets			
Deferred tax assets	8	10	8
Investments	9	1,600,371	1,600,371
Trade and other receivables	10	443,548	248,915
		<u>2,043,929</u>	<u>1,849,294</u>
Current assets			
Trade and other receivables	10	811,477	1,073,004
Total assets		<u>2,855,406</u>	<u>2,922,298</u>
Current liabilities			
Trade and other payables	12	(2,082,501)	(2,097,703)
Current tax liabilities	8	(7)	(69)
Borrowings	11	(1)	(340)
		<u>(2,082,509)</u>	<u>(2,098,112)</u>
Net current liabilities		<u>(1,271,032)</u>	<u>(1,025,108)</u>
Net assets		<u>772,897</u>	<u>824,186</u>
Equity			
Share capital	13	430,000	430,000
Retained earnings		<u>342,897</u>	<u>394,186</u>
Total equity		<u>772,897</u>	<u>824,186</u>

The prior year has been re-presented to reclassify £248,915,000 of current receivables owed by Group undertakings to non-current receivables owed by Group undertakings as they do not meet the IAS 1 'Presentation of Financial Statements' classification criteria for current assets. The non-current receivables owed by Group undertakings are unlikely to be repaid before 31 December 2022. See note 2 for further details.

The financial statements on pages 13 to 34 were approved and authorised for issue by the Board of Directors on ..12/09/2022 and signed on its behalf by:



.....
M Blake
Director

Company number 03922153

Centrica Overseas Holdings Limited

Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2021	430,000	394,186	824,186
Loss for the year	-	(51,289)	(51,289)
Total comprehensive income	-	(51,289)	(51,289)
At 31 December 2021	430,000	342,897	772,897

	Share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2020	430,000	462,138	892,138
Loss for the year	-	(67,952)	(67,952)
Total comprehensive income	-	(67,952)	(67,952)
At 31 December 2020	430,000	394,186	824,186

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

Centrica Overseas Holdings Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

The address of its registered office and principal place of business is:

Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
United Kingdom

The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 4.

2 Accounting policies

Basis of preparation

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of UK adopted International Financial Reporting Standards ('Adopted IFRSs'), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company financial statements are presented in pounds sterling which is the functional currency of the Company.

Changes in accounting policy

From 1 January 2021, the following standards and amendments are effective in the Company's Financial Statements:

- Amendments to IFRS 17 and IFRS 4: 'Insurance Contracts' - deferral of IFRS 9; and
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform - Phase 2.

None of these changes or amendments had any material impact on the Company's financial statements.

Summary of disclosure exemptions

In these financial statements, as a qualifying entity the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with Adopted IFRSs;
- the effects of new but not yet effective IFRSs;
- prior year reconciliations for property, plant and equipment and intangible assets;
- the prior year reconciliations in the number of shares outstanding at the beginning and at the end of the year for share capital;
- disclosures in respect of related party transactions with wholly-owned subsidiaries in a group;
- disclosures in respect of the compensation of key management personnel; and

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

- disclosures in respect of capital management.

As the consolidated financial statements of the Centrica plc group (the 'Group'), which are available from its registered office, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures' have not been provided apart from those which are relevant for the financial instruments which are held at fair value; and
- certain disclosures required by IFRS 3 'Business Combinations' in respect of business combinations undertaken by the Company.
- disclosures of the net cash flows attributable to the operating, investing and financing activities of discontinued operations.

Re-presentation of amounts owned by Group Undertakings

During 2021, the Company's current receivable balances within Group undertakings were reassessed against the classification criteria of current assets as set out in 'IAS 1 'Presentation of Financial Statements' that "an entity shall classify an asset as current when it expects to realise the asset within twelve months after the reporting period". The Company reassessed the current amounts owed by Group undertakings based on expected timing and subsidiaries' intention to repay the amounts due within twelve months after the reporting date and concluded that £447,533,000 (2020: £248,915,000) of the current receivables balances as at 31 December 2021 should be classified as non-current assets; comparatives have therefore been restated as detailed in note 10 of the Financial Statements.

At the same time, the Company has also analysed the current payable balance with Group undertakings presentation to 'IAS 1 'Presentation of Financial Statements' where these are not expected to be settled within twelve months after the reporting period. However, they are contractually payable on demand from Company's perspective, therefore due within twelve months and continue to be presented as current liabilities as detailed in note 12 of the Financial Statements.

Measurement convention

The financial statements have been prepared on the historical cost basis except for: investments in subsidiaries that have been recognised at deemed cost on transition to FRS 101. These financial statements are presented in pound sterling (with all values rounded to the nearest thousand (pounds £'000s) except when otherwise indicated), which is also the functional currency of the Company. Operations and transactions conducted in currencies other than the functional currency are translated in accordance with the foreign currencies accounting policies.

Exemption from preparing group accounts

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate controlling company, Centrica plc.

Going concern

The Directors have received confirmation that provided the Company remains part of the Group, Centrica plc will support the Company for at least one year after the financial statements were authorised for issue and that amounts owed to Group undertakings will not be required to be repaid for the foreseeable future unless sufficient financial resources and facilities are available to the Company.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

In the context of the continuing economic uncertainty caused by commodity price volatility and energy market uncertainty, the Directors have updated their Group going concern assessment as at 30 June 2022 to factor in the Group's updated principal risks, strategy and forecasts, together with modelling further downside sensitivities. The going concern assessment has considered the financial impact on the Group's credit and liquidity headroom of certain stress events impacting the Group's key risks over a 12-18 month horizon. The Group's forecasts show that the Group will maintain sufficient headroom, underpinned by unrestricted cash and cash equivalents, net of bank overdrafts, of c.£3.4 billion as at 30 June 2022, and c.£2.9 billion of undrawn committed facilities, which remain committed until at least 2024.

The Centrica Group interim results were released on 28th July 2022. These demonstrated a resilient financial performance despite a difficult energy supply situation, increases in wholesale gas price, and the ongoing challenges caused by the pandemic. The Group's balance sheet continues to be much stronger than 2020, with a positive cash position of £0.3 billion compared to 2020 when the Group had net debt of £3.0 billion and an overall adjusted operating profit of £1,342m at half year.

On the basis of the enquiries made, and the fact that Centrica plc, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Finance income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying value.

Exceptional items

Exceptional items are those items that, in the judgement of the Directors, need to be disclosed separately by virtue of their nature, size or incidence. To ensure the business performance reflects the underlying results of the Company, these exceptional items are disclosed separately in the income statement. Items which may be considered exceptional in nature include disposals of businesses, business restructurings, significant onerous contract charges and asset write-downs/impairments.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are, on initial recognition, recorded in the functional currency of the Company at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency of the Company at the rates prevailing at the reporting date, and associated gains and losses are recognised in the Income Statement for the year, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income' or 'finance costs'. All other foreign exchange gains and losses are presented in the Income Statement in the respective financial line item to which they relate.

Changes in the fair value of foreign currency denominated monetary securities classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Non-monetary items that are measured at historical cost in a currency other than the functional currency of the Company are translated using the exchange rate prevailing at the dates of the initial transaction and are not retranslated. Non-monetary items measured at fair value in foreign currencies are retranslated at the rates prevailing at the date when the fair value was measured.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in equity. In this case, the tax is recognised in equity.

Deferred tax is recognised in respect of all temporary differences identified at the reporting date, except to the extent that the deferred tax arises from the initial recognition of goodwill (if impairment of goodwill is not deductible for tax purposes) or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit and loss. Temporary differences are differences between the carrying amount of the Company's assets and liabilities and their tax base.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the future and there is sufficient taxable profit available against which the temporary differences can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement using tax rates that have been enacted or substantively enacted at the reporting date.

Investments in subsidiaries

Fixed asset investments in subsidiaries are held at deemed cost on transition to FRS 101 and in accordance with IAS 27 'Separate Financial Statements', less any provision for impairment as necessary.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, that can be measured reliably, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. Where discounting is used, the increase in the provision due to the passage of time is recognised in the Income Statement within interest expense.

Onerous contract provisions are recognised where the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it.

Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the CGU). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss in respect of goodwill shall not be reversed in a subsequent period. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

The Company provides for impairments of financial assets when there is objective evidence of impairment as a result of events that impact the estimated future cash flows of the financial assets.

Financial assets and liabilities

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

- Trade and other receivables

Trade receivables are initially recognised at fair value, which is usually the original invoice amount, and are subsequently held at amortised cost using the effective interest method less an allowance for expected credit losses.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

- Trade and other payables

Trade payables are initially recognised at fair value, which is usually the original invoice amount and are subsequently held at amortised cost using the effective interest method (although, in practice, the discount is often immaterial). If payment is due within one year or less, payables are classified as current liabilities. If not, they are presented as non-current liabilities.

- Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received. Own equity instruments that are re-acquired (treasury or own shares) are deducted from equity. No gain or loss is recognised in the Company's Income Statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

- Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

- Loans and other borrowings

All interest-bearing and interest-free loans and other borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, these financial instruments are measured at amortised cost using the effective interest method, except when they are the hedged item in an effective fair value hedge relationship where the carrying value is also adjusted to reflect the fair value movements associated with the hedged risks. Such fair value movements are recognised in the Company's Income Statement. Amortised cost is calculated by taking into account any issue costs, discount or premium, when applicable.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are critical judgements, apart from those involving estimations, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Investments in subsidiaries, associates and joint ventures

The Company undertakes an annual review process of its investments in subsidiaries, associates and joint ventures as well as related receivables for indicators of impairment and tests for impairment where such an indicator arises.

The impairment review process resulted in the recognition of an impairment of these investments. The total amount irrecoverable in respect of investments as at 31 December 2021 is £989,653,000 (2020: £989,653,000), see note 9.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Credit provisions for inter company receivables

The review of inter company receivables for the provision for credit losses is performed on an annual basis and is based on an expected credit loss model that calculates any expected loss applicable to the receivable balance. The model takes into account whether the receivable is repayable on demand and the probability of default by the related party. In 2021 the Company made a provision for expected credit losses on financial assets, in respect of amounts receivable from Group undertakings, of £15,551,000 (2020: £26,841,000).

4 Employee costs

The Company had no employees during the year (2020: nil).

The Directors were remunerated as employees of the Centrica plc Group and did not receive any remuneration, from any source, specifically for their services as Directors of the Company during the current or preceding financial year.

5 Exceptional items

The following exceptional items were recognised in arriving at operating profit for the reporting year:

	2021 £ 000	2020 £ 000
Exceptional items - provision charge for credit losses on financial assets ⁽ⁱ⁾	(15,551)	(26,841)

⁽ⁱ⁾ The Company made a provision for credit losses on financial assets of £15,551,000 (2020: £26,841,000), this provision relates to amounts owed by Group undertakings.

See note 2 for further details of the Company's impairment testing policy.

6 Net finance income/(cost)

Income from shares in Group undertakings

Finance income

	2021 £ 000	2020 £ 000
Interest income from amounts owed by Group undertakings	63,004	65,456
Net foreign exchange gains on financing transactions	1,920	-
Total finance income	64,924	65,456

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

6 Net finance income/(cost) (continued)

Finance cost

	2021 £ 000	2020 £ 000
Interest expense on bank overdrafts and borrowings	(1)	-
Interest on amounts owed to Group undertakings	(100,693)	(105,199)
Net foreign exchange losses on financing transactions	-	(3,448)
Total finance costs	(100,694)	(108,647)
Net finance costs	(35,770)	(43,191)

7 Auditors' remuneration

Auditors' remuneration totalling £12,560 (2020: £10,000) relates to fees for the audit of the financial statements of the Company.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group financial accounts of its ultimate parent, Centrica plc.

8 Income tax

Tax credited/(charged) in the Income Statement

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax at 19% (2020: 19%)	-	(69)
UK corporation tax adjustment to prior periods	62	-
	62	(69)
Deferred taxation		
Changes in tax rates	2	1
Taxation on loss	64	(68)

The UK rate of corporation tax for the year to 31 December 2021 was 19% (2020: 19%).

The UK corporation tax rate will increase to 25% with effect from 1 April 2023. At 31 December 2021, the relevant UK deferred tax assets and liabilities included in these Financial Statements were based on the increased rate having regard to their reversal profiles.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

8 Income tax (continued)

The differences between the taxes shown above and the amounts calculated by applying the standard rate of UK corporation tax to the loss before tax are reconciled below:

	2021 £ 000	2020 £ 000
Loss before tax	<u>(51,353)</u>	<u>(67,884)</u>
Tax on loss at standard UK corporation tax rate of 19% (2020: 19%)	9,757	12,898
Increase in current tax from adjustment for prior periods	62	-
Increase from effect of expenses not deductible in determining taxable profit	(3,486)	(4,757)
Increase arising from group relief tax reconciliation	(6,273)	(8,080)
Increase from transfer pricing adjustments	2	(61)
Increase arising from Controlled Foreign Company tax charge	-	(69)
Deferred tax (credit) expense relating to changes in tax rates or laws	<u>2</u>	<u>1</u>
Total tax credit/(charge)	<u>64</u>	<u>(68)</u>

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

8 Income tax (continued)

Deferred tax

The deferred tax balance of £10,000 (2020: £8,000) arises on tax losses and is recoverable after more than one year. There is no unrecognised deferred tax in 2021 or 2020.

9 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 January 2020	<u>2,590,024</u>
At 31 December 2020	<u>2,590,024</u>
At 1 January 2021	<u>2,590,024</u>
At 31 December 2021	<u>2,590,024</u>
Provision	
At 1 January 2020	<u>(989,653)</u>
At 31 December 2020	<u>(989,653)</u>
At 1 January 2021	<u>(989,653)</u>
At 31 December 2021	<u>(989,653)</u>
Net book value	
At 31 December 2021	<u>1,600,371</u>
At 31 December 2020	<u>1,600,371</u>

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

9 Investments (continued)

Details of the subsidiaries as at 31 December 2021 are as follows:

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				2021	2020
Bord Gáis Energy Limited*	Energy supply and power generation	1 Warrington Place, Dublin 2, Republic of Ireland	Ordinary shares	100%	100%
Bord Gáis Energy Trustees DAC (Designated Activity Company)	Pension trustee company	1 Warrington Place, Dublin 2, Republic of Ireland	Ordinary shares	100%	100%
Centrica Business Solutions B.V.	Energy management products and services	Wiegerbruinlaan 2A, 1422 CB Uithoorn, Netherlands	Ordinary shares	100%	100%
Centrica Business Solutions Canada Inc. (i)	Energy management products and services	550 Burrard Street, Suite 2900, Vancouver BC V6C 0A3, Canada	Ordinary shares	100%	100%
Centrica Delta Limited	Dormant	33-37 Athol Street, Douglas, IM1 1LB, Isle of Man	Ordinary shares	100%	100%
Centrica Energy Trading A/S*	Energy services and wholesale energy trading	Skelagervej 1, 9000 Aalborg, Denmark	Ordinary shares	100%	100%
Centrica Energy Trading GmbH	Energy services and wholesale energy trading	Gustav-Mahler-Platz 1, 20354 Hamburg, Germany	Ordinary shares	100%	100%
Centrica Energy Trading Pte. Ltd	Energy services and wholesale energy trading	220 Orchard Road, #05-01 Midpoint Orchard, Singapore 238852, Republic of Singapore	Ordinary shares	100%	100%
Centrica Finance (Canada) Limited	Holding company	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom	Ordinary shares	100%	100%
Centrica Finance Norway Limited*	Dormant	47 Esplanade, St Helier, JE1 0BD, Jersey, Channel Islands	Ordinary shares	100%	100%
Centrica Gamma Holdings Limited*	Holding company	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom	Ordinary shares	100%	100%

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

9 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				2021	2020
Centrica Hive Srl	Energy management products and services	Via Paleocapa Pietro 4, 20121, Milano, Italy	Ordinary shares	100%	100%
Centrica India Offshore Private Limited*	Business services	G-74, LGF, Kalkaji, New Delhi, South Delhi, 110019, India	Ordinary shares	100%	100%
Centrica Nederland B.V.*	Holding company	Wiegerbruinlaan 2A, 1422 CB Uithoorn, Netherlands	Ordinary shares	100%	100%
Centrica Trinidad and Tobago Limited*	Business services	48-50 Sackville Street, Port of Spain, Trinidad and Tobago	Ordinary shares	100%	100%
DEML Investments Limited (ii)	Holding company	550 Burrard Street, Suite 2900, Vancouver BC V6C 0A3, Canada	Ordinary shares	100%	100%
DER Development No. 10 Ltd. (i)	Holding company	550 Burrard Street, Suite 2900, Vancouver BC V6C 0A3, Canada	Ordinary shares	100%	100%
Neas Limited	Energy services and wholesale energy trading	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom	Ordinary shares	100%	100%
Neas Invest A/S	Dormant	Skelagervej 1, 9000 Aalborg, Denmark	Ordinary shares	100%	100%
Direct Resources Partnership	Energy Holding entity	350 7th Avenue SW, Suite 3400, Calgary AB T2P 3N9, Canada	Membership interest	100%	100%
Eurowind Polska VI Sp z.o.o.	Operation of an onshore windfarm	Ul. Wysogotowska 23, 62-081 Przemierowo, Wielkopolskie, Poland	Ordinary shares	50%	50%
Greener Limited	Ideas Development of flexible power generation sites	1 Warrington Place, Dublin 2, Republic of Ireland	Ordinary shares	50%	50%
Vindpark Keblowo ApS	Operation of an onshore windfarm	Mariagervej 58B, DK 9500 Hobro, Denmark	Ordinary shares	50%	50%

* indicates direct investment of the Company

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

9 Investments (continued)

See note 2 for further details of the Company's impairment testing policy.

(i) Centrica Business Solutions Canada Inc. and DER Development No. 10 Ltd changed their registered addresses during the year from 350 7th Avenue SW, Suite 3400, Calgary AB T2P 3N9, Canada to the address listed above.

(ii) DEML Investments Limited changed its registered address during the year from Bay Adelaide Centre, 333 Bay Street, Suite 2400, Toronto ON, M5H 2T6, Canada to the address listed above.

10 Trade and other receivables

	2021		2020 (As restated)	
	Current £ 000	Non-current £ 000	Current £ 000	Non-current £ 000
Amounts owed by Group undertakings	811,477	443,548	1,073,004	248,915

Amounts owed by Centrica plc of CAD\$ 591,139,000 (£345,042,000) (2020: CAD\$ 895,783,000 (£514,150,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter, with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.97 % to 4.67% (2020: 4.87 % to 5.92%).

Amounts owed by Centrica plc of DKK 632,622,000 (£71,494,000) (2020: DKK 3,387,813,000 (£407,529,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.32% to 3.96% (2020: 3.52% to 4.14%).

Amounts owed by Centrica plc of US\$ 341,762,000 (£252,465,000) (2020: US\$ nil (£nil)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.69% to 4.41% (2020: Not applicable).

Amounts owed by Centrica plc of SGD 36,023,000 (£19,734,000) (2020: SGD nil (£nil)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.97% to 4.59% (2020: Not Applicable).

Amounts owed by Centrica plc of HUF nil (£nil) (2020: HUF 670,109,000 (£1,654,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 4.40% to 4.97% (2020: 4.12% to 5.20%).

Amounts owed by Centrica plc of £106,197,000 (2020: £138,057,000) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged between 3.61% and 4.23% per annum (2020: 4.42% and 4.73%).

Amounts owed by Centrica plc of £16,545,000 (2020 £11,614,000) are unsecured and interest free and repayable on demand.

All the loans due from Centrica Plc are unsecured, repayable on demand and are expected to be repaid within twelve months from the reporting date and are deemed as current.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

10 Trade and other receivables (continued)

Amounts owed by GB Gas Holdings Limited, the immediate parent undertaking, of £256,741,000 (Restated 2020: £247,067,000) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 3.61% and 4.23% (2020: 4.42% and 4.73%).

Amounts owed by Centrica Energy Trading A/S (Formerly Neas Energy A/S.) of DKK 1,488,189,000 (£168,184,000) (2020: DKK nil (£nil)) are unsecured, bear interest at a quarterly rate linked to the Group cost of funds as adjusted for credit risk. The quarterly rates ranged between 3.32% and 3.96% (2020: Not Applicable). The loan is unsecured and repayable on demand.

Amounts owed by Panoramic Power Ltd of US\$ 51,963,000 (£38,386,000) (2020: US\$ nil (£nil)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.69% to 4.41% (2020: Not applicable).

Amounts owed by Centrica Bus Hldgs Inc of US\$ 30,118,000 (£22,249,000) (2020: US\$ nil (£nil)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.69% to 4.41% (2020: Not applicable).

Amounts owed by Centrica Innovations US Inc of US\$ 964,000 (£712,000) (2020: US\$ nil (£nil)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 3.69% to 4.41% (2020: Not applicable).

Amounts owed by Centrica Business Solutions Italia S.R.L (Formerly ENER-G Italia S.R.L.) of €23,315,000 (£19,594,000) (Restated 2020: €18,103,000 (£16,204,000)) are unsecured, bear interest at a quarterly rate linked to the Group cost of funds as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%).

Amounts owed by Centrica Business Solutions Romania S.R.L (Formerly ENER-G Technologi Energetice S.R.L.) of RON 9,740,000 (£1,654,000) (Restated 2020: RON 10,098,000 (£1,857,000)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 4.94% and 6.11% (2020: 6.25% and 6.94%). The loan is unsecured and repayable on demand.

Amounts owed by Centrica Business Solutions Belgium N.V. (Formerly REstore N.V.) of €nil (£nil) (Restated 2020: €3,500,000 (£3,133,000)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%). The loan is unsecured and repayable on demand.

Amounts owed by Centrica Business Solutions México S.A. de C.V. of MXN 280,671,000 (£10,119,000) (Restated 2020: MXN 176,469,000 (£6,492,000)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 7.82% and 8.68% (2020: 9.25% and 11.64%). The loan is unsecured and repayable on demand. Refer note 16 for further details.

Amounts owed by Centrica Business Solutions Ireland Limited of €407,000 (£342,000) (Restated 2020: €102,000 (£91,000)) are unsecured, bear interest at a quarterly rate linked to the Group cost of funds as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%). The loan is unsecured and repayable on demand.

Amounts owed by REstore Deutschland GmbH of €1,456,000 (£1,223,000) (Restated 2020: €900,000 (£806,000)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%). The loan is unsecured and repayable on demand.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

10 Trade and other receivables (continued)

Amounts owed by Centrica Energy Trading GmbH of €4,719,000 (£3,966,000) (2020: €nil (£nil)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: Not Applicable). The loan is unsecured and repayable on demand.

The amounts owed by REstore France SAS of €1,030,000 (£865,000) (2020: €nil (£nil)) bore interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67%. The loan is unsecured and repayable on demand.

Other balances totalling £nil (Restated 2020: £106,000) are unsecured and interest free and consists of accrued interest.

Amounts owed by Group undertakings include credit loss provisions of £80,468,000 (Restated 2020: £26,841,000) which includes prior year credit loss provision of £26,841,000, current year credit loss provision of £15,551,000 and £38,076,000 of credit loss provision of Panoramic Power Limited transferred from Centrica Finance (US) Limited on 18 November 2021 as described in Strategic Report.

The prior year has been restated to reclassify £248,915,000 of current receivables owed by Group undertakings to non-current receivables owed by Group undertakings as they do not meet IAS 1 'Presentation of Financial Statements' classification criteria for current assets. The non-current receivables owed by Group undertakings are unlikely to be repaid before 31 December 2022. See note 2 for further details.

11 Loans and borrowings

	31 December 2021 £ 000	31 December 2020 £ 000
Bank overdrafts	(1)	(340)

Bank overdrafts

Bank overdrafts are repayable on demand and attract variable interest of LIBOR plus 1%.

12 Trade and other payables

	2021 Current £ 000	2020 Current £ 000
Amounts owed to Group undertakings	(2,082,501)	(2,097,703)

Amounts owed to Centrica plc of CAD\$ nil (£nil) (2020: CAD\$ 285,000,000 (£164,360,000)) are unsecured and bear interest at a quarterly rate. The quarterly rates ranged between 3.97% and 4.67% (2020: 4.87% and 5.92%). In 2021, this was amalgamated in the main CAD\$ amounts owed to Centrica plc included in the receivables.

Amounts owed to Centrica plc of €370,331,000 (£311,239,000) (2020: €408,147,000 (£365,334,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds and are repayable on demand. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%).

Amounts owed to Centrica plc of NOK 3,238,640,000 (£271,533,000) (2020: NOK 3,105,822,000 (£265,055,000)) are unsecured, accrue interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds and are repayable on demand. The quarterly rates ranged between 3.79% and 4.57% (2020: 4.62% and 5.77%).

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

12 Trade and other payables (continued)

Amounts owed to Centrica plc of \$nil (£nil) (2020: \$2,587,000 (£1,894,000)) are unsecured, accrue interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds and are repayable on demand. The quarterly rates ranged between 3.69% and 4.49% (2020: 4.60% and 5.87%).

Amounts owed to Centrica plc of RON 952,000 (£161,000) (2020: RON 1,305,000 (£240,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand. Interest rates ranged from 4.94% to 6.11% (2020: 6.25% to 6.94%).

Amounts owed to Centrica plc of MEX 239,076,000 (£8,619,000) (2020: MEX 144,312,000 (£5,309,000)) are unsecured, accrue interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds and are repayable on demand. The quarterly rates ranged between 7.82% and 8.68% (2020: 9.25% and 11.64%).

Amounts owed to Centrica Plc of HUF 49,975,000 (£114,000) (2020: receivable HUF 670,109,000 (£1,654,000)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 4.40% and 4.97% (2020: 4.12% to 5.20%) per annum.

Amounts owed to Centrica plc of £425,000 (2020: £nil) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds and are repayable on demand. The quarterly rates ranged between 3.61% and 4.23%.

Amounts owed to Centrica Gamma Holdings Limited of CAD\$ 482,965,000 (£281,902,000) (2020: CAD\$nil (£nil)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 3.97% and 4.67% (2020: not Applicable) per annum.

Amounts owed to Bord Gáis Energy Limited of €115,903,000 (£97,409,000) (2020: €195,340,000 (£174,849,000)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%) per annum.

Amounts owed to Centrica Business Solutions Zrt (formerly ENER-G Energia Technolgiai Zrt) of HUF 3,176,765,000 (£7,234,000) (2020: HUF 1,942,667,000 (£4,796,000)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 4.40% and 4.97% (2020: 4.12% and 5.20%) per annum.

Amounts owed to Centrica Business Solutions BV (formerly ENER-G Nedale BV) of €5,114,000 (£4,298,000) (2020: €5,300,000 (£4,744,000)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%) per annum.

Amounts owed to Centrica Finance Canada Limited totalling CAD\$ 1,842,676,000 (£1,075,551,000) (2020: CAD\$ 1,809,297,000 (£1,038,477,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds on the last day of the preceding quarter with interest payable monthly in arrears, and are repayable on demand. The quarterly rates ranged between 3.97% and 4.67% (2020: 4.87% and 5.92%).

Amounts owed to Centrica Energy Trading A/S (formerly Neas Energy A/S) of DKK nil (2020: DKK 570,151,000 (£68,585,000)) bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds as adjusted for credit risk and are unsecured and repayable on demand. The quarterly rates ranged between 3.32% and 3.96% (2020: 3.52% and 4.14%).

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

12 Trade and other payables (continued)

Amounts owed to Centrica Nederland BV of €3,834,000 (£3,222,000) (2020: €3,702,000 (£3,314,000)) are unsecured, bear interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%).

Amounts owed to Centrica Business Solutions Belgium N.V. (Formerly REstore N.V.) of €1,681,000 (£1,413,000) (2020: receivable: €3,500,000 (£3,133,000)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: 3.53% and 3.93%). The loan is unsecured and repayable on demand.

Amounts owed to Centrica Energy Trading Pte Limited of €23,601,000 (£19,381,000) (2020: €nil (£nil)) bear interest at a quarterly rate linked to the Group cost of funds currency as adjusted for credit risk. The quarterly rates ranged between 2.99% and 3.67% (2020: Not Applicable). The loan is unsecured and repayable on demand.

Other Group creditors of £nil (2020: £746,000) are interest free and repayable on demand and consists of accrued interest.

All amounts are unsecured and repayable on demand.

13 Capital and reserves

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	430,000,004	430,000,004	430,000,004	430,000,004

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Retained earnings

The balance classified as retained earnings includes the profits and losses realised by the Company in previous periods that were not distributed to the shareholder of the Company at the reporting date.

The profit and loss account includes profits of £67,500,000 (2020: £67,500,000) that arose during 2005 and are not available for distribution by the Company.

14 Dividends

The Company did not pay an interim dividend in 2021 (2020: £nil) to its immediate parent undertaking, GB Gas Holdings Limited. The Directors do not recommend the payment of a final dividend (2020: £nil).

15 Parent and ultimate parent undertaking

The immediate parent undertaking is GB Gas Holdings Limited, a company registered in England and Wales.

The ultimate parent undertaking is Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated financial statements. Copies of the Centrica plc consolidated financial statements may be obtained from www.centrica.com.

Centrica Overseas Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

15 Parent and ultimate parent undertaking (continued)

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Centrica plc.

The registered address of Centrica plc is:

Millstream
Maidenhead Road
Windsor
SL4 5GD
United Kingdom

The above is the smallest group in which these financial statements are consolidated.

16 Non adjusting events after the financial period

On 5 August 2022, Centrica Business Solutions Mexico S.A de C.V. settled its loan balance of MXN 296,382,220 (£12,000,000) with the Company by the issuance of 296,382,220 MXN 1.00 ordinary shares; increasing the Company's shareholding from 1% to 89%.

All of the shares were disposed of under a Sale Agreement entered into on 25 May 2022 for a purchase price of MXN 27,900,000 (£1,000,000) which will result in a loss of £11,000,000 in 2022. As at the date of signing these accounts this sale had not completed.