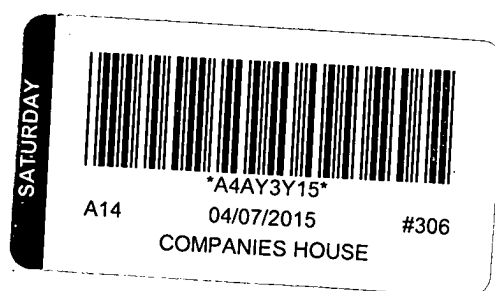


Registered number : 04573558

Centrica Storage Holdings Limited

Annual Report for the year ended

31 December 2014



**Centrica Storage Holdings Limited  
Company Information**

**Directors**

G C McKenna

I G Dawson

**Secretary**

Centrica Secretaries Limited

**Auditors**

PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

**Registered office**

1st Floor

20 Kingston Road

Staines-upon-Thames

Middlesex

TW18 4LG

**Registered number**

04573558

## **Centrica Storage Holdings Limited**

### **Strategic Report for the year ended 31 December 2014**

The Directors present the Strategic Report of Centrica Storage Holdings Limited ("the Company") for the year ended 31 December 2014.

#### **Review of business**

The Company reported a profit for the financial year of £1.8 million (2013: loss of £128.0 million).

The Company continued to act as a holding company during the year. Its primary subsidiary, Centrica Storage Limited, made a profit; although the summer-winter spreads for NBP gas continued to narrow during the year.

In the light of the weak economics for storage projects and the UK Government's decision to rule out incentivisation for additional gas storage capacity to be built, the onshore project at Caythorpe continues to be on indefinite hold.

#### **Financial position**

The financial position of the Company is presented in the balance sheet on page 10. Shareholder funds at 31 December 2014 were £513.2 million (2013: £511.4 million).

#### **Principal risks and uncertainties**

The management of the business in the execution of the Company's strategy are subject to a number of risks. Further discussion of these risks and uncertainties in the context of the Centrica Group (the "Group") as a whole is provided on pages 40-45 of the Centrica plc Annual Report and Accounts 2014 which do not form part of this report. The principal risks of the Company's primary subsidiary, Centrica Storage Limited are also risks of the Company. These are provided on page 2-3 of the Annual Report of Centrica Storage Limited. The additional key business risks and uncertainties affecting the Company have been highlighted below:

#### **Liquidity risk**

Cash forecasts identifying the liquidity requirements of the Company are produced periodically and monitored by the directors. However, due to the timing of cash payments and cash receipts liquidity is not a major risk for the Company.

The £568.5 million loan owed to group undertakings (2013: £568.5 million) is repayable on demand. This is regarded as a current liability. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the date the Financial Statements were authorised. As these amounts are owed to another Group company interest rate risk is not actively managed by the Company. Centrica plc manages interest rate risks for the Group.

#### **Key performance indicators (KPIs)**

The Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business.

Further information about KPIs, in the context of the Group, can be found in the Annual Report and Accounts 2014 of the Group which does not form part of this report.

**Strategic Report for the year ended 31 December 2014 (continued)**

The Strategic Report was approved by the Board on 24 June 2015.



Jeremy Thom

By order of the board for and on behalf of Centrica Secretaries Limited

**Company Secretary**

24 June 2015

Company number: 04573558, England and Wales

Registered Office:

1st Floor

20 Kingston Road

Staines-upon-Thames

Middlesex

TW18 4LG

## **Centrica Storage Holdings Limited**

### **Directors' Report for the year ended 31 December 2014**

The Directors present their report and the audited financial statements of Centrica Storage Holdings Limited ('the Company') for the year ended 31 December 2014.

#### **Future developments**

The Directors envisage the Company continuing to operate as a holding company for the foreseeable future.

Against the backdrop of low seasonal spreads and the decision in 2013 not to proceed with the offshore Baird storage joint venture and to put the onshore project at Caythorpe on indefinite hold, capital investments are likely to be limited.

The focus of the business is solely on the Rough asset, operated by the Company's subsidiary; Centrica Storage Limited. The Company will continue to oversee the safe and reliable operation of the Rough storage facility.

The key revenue driver for Centrica Storage Limited, assuming safe and reliable operations, is the difference between forward summer and winter gas prices. These narrowed during 2014 and the directors continue to monitor the impairment risk this brings.

#### **Results and dividends**

The results of the Company are set out on page 9.

The profit on ordinary activities after taxation for the year ended 31 December 2014 is £1.8 million (2013: £128.0 million loss).

No dividends were paid during the year and the Directors do not recommend the payment of a final dividend. (2013: nil).

#### **Financial risk management**

The Company's objectives and policies for managing financial risks are regularly reviewed along with the Centrica Storage Holdings Group.

The Directors have established objectives and policies for managing financial risks, to enable the Centrica Storage Holdings Group to achieve long-term shareholder value growth within a prudent risk management framework.

The Centrica Storage Holdings Group has a Financial Risk Management Committee (FRMC) which meets on a regular basis.

#### **Events since the Balance Sheet Date**

There are no reportable events after the balance sheet date.

#### **Directors**

The following persons served as directors during the year and up to the date of signing this report:

G C McKenna	(Appointed 11.02.2015)
I G Dawson	
J D Craig	(Resigned 11.02.2015)
G S Collinson	(Resigned 31.01.2014)

## **Centrica Storage Holdings Limited**

### **Directors' Report for the year ended 31 December 2014 (continued)**

#### **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 under review. 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 Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then 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.

#### **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 they have taken all the 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.

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

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

**Centrica Storage Holdings Limited**  
**Directors' Report for the year ended 31 December 2014 (continued)**

This Directors' Report was approved by the Board on 24 June 2015.



Jeremy Thom  
By order of the board for and on behalf of Centrica Secretaries Limited  
**Company Secretary**  
24 June 2015

Company number: 04573558, England and Wales

Registered Office:  
1st Floor  
20 Kingston Road  
Staines-upon-Thames  
Middlesex  
TW18 4LG

**Centrica Storage Holdings Limited****Independent auditors' report to the member of Centrica Storage Holdings Limited****Report on the financial statements****Our opinion**

In our opinion, Centrica Storage Holdings Limited's financial statements (the 'financial statements'):

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

**What we have audited**

Centrica Storage Holdings Limited's financial statements comprise:

- Balance Sheet as at 31 December 2014;
- Profit and Loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

**Opinion on other matters prescribed by the Companies Act 2006**

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

**Other matters on which we are required to report by exception****Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

**Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.



**Centrica Storage Holdings Limited****Independent auditors' report to the member of Centrica Storage Holdings Limited (continued)****Responsibilities for the financial statements and the audit****Our responsibilities and those of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK and Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's member as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Bruce Collins (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
26 June 2015

**Centrica Storage Holdings Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2014**

	Notes	2014 £000	2013 £000
Administrative expenses		(45)	(15)
<b>Operating loss before exceptional items</b>	2	<u>(45)</u>	<u>(15)</u>
Exceptional items:			
Impairment of investments and related loans	3	-	(131,452)
<b>Operating loss after exceptional items</b>		<u>(45)</u>	<u>(131,467)</u>
Interest receivable and similar income	6	2,264	4,340
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>2,219</u>	<u>(127,127)</u>
Tax on profit/(loss) on ordinary activities	7	(415)	(896)
<b>Profit/(loss) for the financial year</b>	12	<u>1,804</u>	<u>(128,023)</u>

All amounts included in the Profit and Loss Account are derived from continuing operations.

The Company has no recognised gains or losses other than the profit/(loss) for the above two financial years, therefore, no separate statement of recognised gains and losses has been presented.

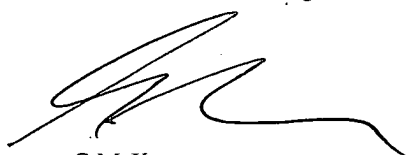
There is no difference between the profit/(loss) on ordinary activities before taxation and the retained profit/(loss) for the financial years stated above and their historic cost equivalent.

The notes on pages 11 to 16 form part of these financial statements.

**Centrica Storage Holdings Limited**  
**Balance Sheet**  
**as at 31 December 2014**

	Notes	2014 £000	2013 £000
<b>Fixed assets</b>			
Investments	8	992,031	992,031
<b>Current assets</b>			
Debtors	9	109,210	124,940
Cash at bank and in hand		101	101
		<u>109,311</u>	<u>125,041</u>
<b>Creditors: amounts falling due within one year</b>	10	(588,129)	(605,663)
<b>Net current liabilities</b>		<u>(478,818)</u>	<u>(480,622)</u>
<b>Net assets</b>		<u>513,213</u>	<u>511,409</u>
<b>Capital and reserves</b>			
Called up share capital	11	545,000	545,000
Share premium account		30,234	30,234
Profit and loss account	12	(62,021)	(63,825)
<b>Total shareholders' funds</b>	13	<u>513,213</u>	<u>511,409</u>

These financial statements on pages 9 to 16 were approved and authorised for issue by the Board of Directors on 24 June 2015 and were signed on its behalf by:



G McKenna  
**Director**  
 24 June 2015

The Company's Registered number is 04573558.

**Centrica Storage Holdings Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

**1 Principal accounting policies**

***Basis of preparation***

These financial statements are prepared on the going concern basis, as its ultimate parent company, Centrica plc, has confirmed that it will ensure the Company can meet its liabilities and obligations as they fall due for one year from the date of approval of these financial statements. These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards. These policies have been applied consistently to all the years presented, unless otherwise stated.

***Going concern***

The Company had net current liabilities at the Balance Sheet date of £479 million (2013: £481 million). The Financial Statements have been prepared on the going concern basis as Centrica plc, the ultimate parent company, intends to support the Company to ensure it can meet its obligations as they fall due. The Director has received confirmation that Centrica plc intends to support the Company for at least one year after the date the Financial Statements were authorised.

***Exemptions***

The financial statements contain information about Centrica Storage Holdings Limited 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 parent, Centrica plc which are publicly available.

Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements". The Company is also exempt under the terms of Financial Reporting Standard 8 "Related Party Disclosures" from disclosing related-party transactions with entities that are part of the Centrica plc Group.

***Fixed asset investments***

Fixed asset investments are shown at cost less any provision for impairment.

***Interests in joint ventures***

A jointly controlled entity is a joint venture which involves the establishment of an entity to engage in economic activity, which the Company controls jointly with its venture partners. Investments in jointly controlled entities are carried at cost less any impairment in the value of individual investments.

***Impairment***

Tangible fixed assets, fixed asset investments and goodwill are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Newly acquired goodwill or intangible fixed asset are subject to a first year impairment review. This review is carried out at the end of the first full financial year following their acquisition. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net realisable value, or value in use of the relevant income generating unit or underlying asset.

Net realisable value calculations use cash flow projections based on the Board-approved three year business plans which are extrapolated to the end of asset life. Cash flows are discounted using a post-tax discount rate specific to the cash-generating unit to determine the cash-generating unit's net realisable value. For 2014 the rate was 7.5% (2013: 7.5%).

If an asset is impaired, a provision is made in that financial year to reduce the carrying amount to its estimated recoverable amount.

**Centrica Storage Holdings Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

**1 Principal accounting policies (continued)**

***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 balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits in the foreseeable future from which the reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are re-valued unless by the balance sheet date there is a binding agreement to sell the re-valued assets and the gain or loss expected to arise on sale has been recognised in the Financial Statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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

***Interest***

Interest payable and receivable is recognised when accrued.

***Financial instruments: disclosure and presentation***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. A debt instrument is a contractual obligation to deliver cash or another financial obligation.

Finance costs and gains or losses relating to financial liabilities are included in the Profit and Loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

All financial assets and liabilities are presented gross on the face of the Balance Sheet unless the Company has a legally enforceable right to net off the recognised amounts and it intends to settle on a net basis.

All interest bearing debt and loans are initially stated at the amount of the net proceeds for debt and costs for loans. After initial recognition, the carrying amounts of interest bearing loan receivables and payables are increased by the finance income and finance costs respectively. The carrying amounts are reduced by the payment or repayment of amounts owing under loan receivables and payables respectively. Where the recoverable amount is estimated to be less than the carrying value, impairment will be charged through operating costs in the profit and loss account.

**Centrica Storage Holdings Limited**
**Notes to the Financial Statements for the year ended 31 December 2014**
**1 Principal accounting policies (continued)**
***Financial instruments: disclosure and presentation (continued)***

The Company is exempted by FRS 29 Financial Instruments: Disclosures from providing detailed disclosures in respect of its financial instruments because it does not apply FRS 26 Financial Instruments: Recognition and measurement.

***Dividend distribution***

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the members.

<b>2 Operating loss</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>

This is stated after charging:

Auditors' remuneration for audit services	<u>15</u>	<u>15</u>
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Auditors' remuneration of £15,000 (2013: £15,000) relates to fees for the audit of the UK GAAP statutory financial statements of 'the Company'.

<b>3 Exceptional items</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Impairment of investment in subsidiary	-	(65,533)
Impairment of investment in joint venture	-	(43,101)
Impairment of receivable from joint venture	-	(17,635)
Impairment of receivables from subsidiary	-	(5,183)
<b>Total exceptional items</b>	<u>-</u>	<u>(131,452)</u>

In 2013, in light of weak economics for storage projects, and following announcements regarding future government support for gas storage in the UK, the Group announced its decision not to proceed with the Baird offshore gas storage project and to put the onshore project at Caythorpe on hold indefinitely. As a result, the Company impaired £66 million in investments in subsidiaries and £43 million in investments in joint ventures and associates and £22 million of loans to these companies during 2013. The situation is unchanged in 2014 so there is no change to the asset impairment.

**4 Directors' emoluments**

The emoluments of the directors are not paid to them in their capacity as Directors of the Company and are payable for services wholly attributable to other Centrica plc subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these financial statements.

**Centrica Storage Holdings Limited****Notes to the Financial Statements for the year ended 31 December 2014****5 Employee costs**

The Company has no employees (2013: nil) and no staff costs (2013: nil).

**6 Interest receivable and similar income**

	2014	2013
	£000	£000
Interest receivable from Group undertakings	2,264	4,340

**7 Tax on profit/(loss) on ordinary activities**

	2014	2013
	£000	£000
<b>Analysis of tax charge in year</b>		
Current tax:		
UK corporation tax on profit/(loss) for the period	415	896
<b>Tax charge on ordinary activities</b>	<b>415</b>	<b>896</b>

**Factors Affecting Tax Charge for the year**

The tax charge for the period differed from the standard rate of corporation tax in the UK of 21.49%

	2014	2013
	£000	£000
Profit/(loss) on ordinary activities before taxation	2,219	(127,127)
<b>Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of</b>	<b>21.49%</b>	<b>23.25%</b>
	<b>£000</b>	<b>£000</b>
Tax charge/(credit) on profit/(loss) at standard UK tax rate.	477	(29,557)
Effects of:		
Income not taxable for tax purposes	(62)	30,563
Group relief for nil consideration	-	-
UK:UK transfer pricing adjustment	-	(110)
<b>Tax charge for the year</b>	<b>415</b>	<b>896</b>

**Factors that may affect future tax charges**

The main rate of corporation tax was reduced from 23% to 21% from 1 April 2014. A further reduction to reduce the rate to 20% from 1 April 2015 was substantively enacted in Finance Act 2013 on 2 July 2013 and has been reflected within these financial statements.

**Centrica Storage Holdings Limited****Notes to the Financial Statements for the year ended 31 December 2014****8 Investments**

At 31 December 2014 the Company had investments in the following subsidiary and joint venture undertakings:

<b>Subsidiary undertakings</b>	<b>Country of Incorporation</b>	<b>Ordinary shares and net assets %</b>	<b>Principal activity</b>
Centrica Storage Limited	England	100	Gas storage
Centrica Onshore Processing UK Limited	England	100	Dormant
Caythorpe Gas Storage Limited	England	100	Gas storage
Centrica Jersey Limited	Channel Islands	100	Financing
Barrow Gas Storage Limited	England	100	Dormant
<b>Joint ventures</b>	<b>Country of Incorporation</b>	<b>Ordinary shares and net assets %</b>	<b>Principal activity</b>
Bacton Storage Company Limited	England	70	Gas storage

The investment in Bacton Storage Company Limited is carried at £nil following impairment in 2013. The investment in Barrow Gas Storage Limited is carried at £1. Both of these companies were struck off on 5 May 2015.

**9 Debtors**

	<b>2014 £000</b>	<b>2013 £000</b>
Amounts owed by Group undertakings	132,028	147,758
Provision against receivables from JV and subsidiaries	(22,818)	(22,818)
	<u>109,210</u>	<u>124,940</u>

The amounts receivable from Group undertakings include £126 million (2013: £125 million) that bears interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. The quarterly rates ranged between 1.69% and 1.90% per annum during 2014 (2013: 2.34% and 3.19%). The other amounts receivable from Group undertakings are interest-free. All amounts receivable from Group undertakings are unsecured and repayable on demand.

**10 Creditors: amounts falling due within one year**

	<b>2014 £000</b>	<b>2013 £000</b>
Amounts owed to Group undertakings	588,099	605,648
Accruals and deferred income	30	15
	<u>588,129</u>	<u>605,663</u>

Amounts owed to Group undertakings includes £568.5 million (2013: £568.5 million) which is unsecured, repayable on demand and non-interest bearing. Other amounts owed to Group undertakings are unsecured, repayable on demand and non-interest bearing.



**Centrica Storage Holdings Limited****Notes to the Financial Statements for the year ended 31 December 2014**

<b>11 Called up Share capital</b>	<b>Nominal value</b>	<b>2014 Number</b>	<b>2014 £000</b>	<b>2013 £000</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	545,000,001	<u>545,000</u>	<u>545,000</u>

<b>12 Profit and loss account</b>	<b>2014 £000</b>	<b>2013 £000</b>
At 1 January	(63,825)	64,198
Profit/(loss) for the financial year	1,804	(128,023)
At 31 December	<u>(62,021)</u>	<u>(63,825)</u>

<b>13 Reconciliation of movements in shareholders' funds</b>	<b>2014 £000</b>	<b>2013 £000</b>
At 1 January	511,409	639,432
Profit/(loss) for the financial year	1,804	(128,023)
At 31 December	<u>513,213</u>	<u>511,409</u>

**14 Related party transactions**

At 31 December 2014, the Company owned 70 percent of the ordinary shares in the Bacton Storage Company Limited. The amount due by this joint venture was £17.6 million (2013: £17.6 million). The amount has been fully provided for since the decision to exit the Baird joint venture was made. Bacton Storage Company Limited was struck off on 5 May 2015.

**15 Ultimate controlling party**

Centrica plc, a company registered in England and Wales is the ultimate holding company and ultimate controlling party. Centrica plc has a 100 percent interest in the equity share capital of Centrica Holdings Limited. Centrica Holdings Limited in turn owns 100 percent of the issued share capital of GB Gas Holdings Limited. GB Gas Holdings Limited owns 100 percent of the issued share capital of Centrica Storage Holdings Limited and is the Company's immediate parent undertaking.

Centrica plc is the parent company of the largest and smallest Group for which consolidated financial statements are drawn up. Copies of the ultimate parent company's consolidated financial statements can be obtained from Centrica plc, Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD or [www.centrica.com](http://www.centrica.com).