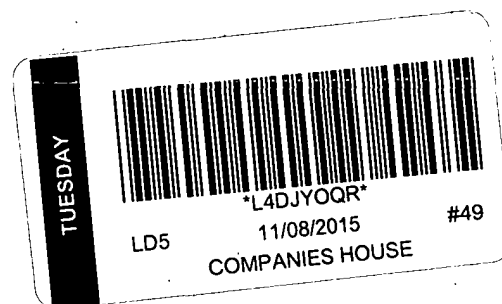


**Registered No: 04710850**

**Centrica Beta Holdings Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2014**



# **Centrica Beta Holdings Limited**

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# **Centrica Beta Holdings Limited**

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

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

### **Future developments**

The Directors intend that the Company continues to act as an investment holding company for the foreseeable future.

### **Results and dividends**

The loss for the financial year ended 31 December 2014 is £19,918,000 (2013: £11,394,000). No dividends were paid during the year and the Directors do not recommend the payment of a final dividend (2013: £nil).

No dividends were received during the year (2013: £543,866,000)

### **Financial risk management**

Details of the Group's financial risk management policy are set out on pages 151 - 154 of the Group's 2014 Annual Report and Accounts. Group Treasury also seeks to limit counter-party risk by conducting most of its banking and dealing activities with a limited number of major international banks, where status is kept under review.

### **Directors**

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

I G Dawson

C Redcliffe

J Bell

### **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.

# **Centrica Beta Holdings Limited**

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

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic report, 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.

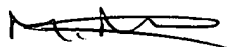
### **Disclosure of information to auditors**

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.

### **Independent 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.

This report was approved by the board on 31 July 2015.



**MATTHEW MADELEY**

By order of the board for and on behalf of Centrica Secretaries Limited  
**Company Secretary**  
31 July 2015

Company registered in England and Wales, Registered Number 04710850  
Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

# Centrica Beta Holdings Limited

## Strategic report for the year ended 31 December 2014

The Directors present their Strategic report the Company for the year ended 31 December 2014.

### Review of business and financial position

The financial position of the Company is presented in the balance sheet on page 7. Total shareholders' funds at 31 December 2014 were £276,277,000 (2013: £287,727,000). The loss for the year ended 31 December 2014 is £19,918,000 (2013: £11,394,000).

The Directors intend that the Company continues to act as an investment holding company for the foreseeable future.

### Principal risks and uncertainties

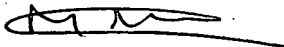
The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties that the Company is exposed to are interest rate risks linked to the Centrica plc Group's ("the Group") cost of funds. As the interest rate risks relate to transactions with other Group companies they are not actively managed by the Company. 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 principal risks and uncertainties for the Group, which include those of the Company, are discussed on pages 40 - 45 of the Group's 2014 Annual Report and Accounts which does not form part of this report. Copies of the Annual Report of Centrica plc may be obtained from [www.centrica.com](http://www.centrica.com).

### 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 business are net assets and results after tax, these are shown above. The loss made by the Company in the year does not affect the Directors' view that the position of the Company is satisfactory.

This Strategic report was approved by the board on 31 July 2015.



MATTHEW MADELIN

By order of the board for and on behalf of Centrica Secretaries Limited  
Company Secretary  
31 July 2015.

Company registered in England and Wales, Registered Number 04710850

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

# **Centrica Beta Holdings Limited**

## **Independent auditors' report to the members of Centrica Beta Holdings Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Centrica Beta 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 loss 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 Beta Holdings Limited's financial statements comprise:

- the Balance sheet as at 31 December 2014;
- the 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 the preparation of the financial statements 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 matter prescribed by the Companies Act 2006**

In our opinion, 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.

#### **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 are not made. We have no exceptions to report arising from this responsibility.

# **Centrica Beta Holdings Limited**

## **Independent auditors' report to the members of Centrica Beta 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 set out on page 2, 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 & 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 members 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 and Financial Statements 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.

Charles Bowman (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
31 July 2015

# Centrica Beta Holdings Limited

## Profit and loss account for the year ended 31 December 2014

	Notes	2014 £000	2013 £000
<b>Administrative expenses</b>			
Foreign exchange (loss) / gain		(7,211)	2,856
Amounts written off receivables and investments	4	(1,240)	(544,199)
<b>Operating loss</b>		<u>(8,451)</u>	<u>(541,343)</u>
Income from shares in Group undertakings	5	-	543,866
Interest receivable and similar income	6	24,205	8,907
Interest payable and similar charges	7	(40,789)	(26,176)
<b>Loss on ordinary activities before taxation</b>		<u>(25,035)</u>	<u>(14,746)</u>
Tax on loss on ordinary activities	8	5,117	3,352
<b>Loss for the financial year</b>	13	<u>(19,918)</u>	<u>(11,394)</u>

All amounts relate to continuing operations.

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above and its historical cost equivalents.

A statement of movements in shareholders' funds is shown in note 14.

The notes on pages 8 to 16 form part of these financial statements.

## Statement of total recognised gains and losses for the year ended 31 December 2014

	Notes	2014 £000	2013 £000
Loss for the financial year	13	(19,918)	(11,394)
Exchange losses arising on:			
Foreign currency equity investments	9,14	34,430	(21,737)
Foreign currency borrowings used to hedge foreign currency equity investments	14	(25,962)	19,072
<b>Total recognised losses for the year</b>		<u>(11,450)</u>	<u>(14,059)</u>

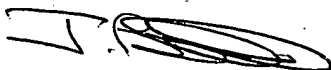


# Centrica Beta Holdings Limited

## Balance sheet as at 31 December 2014

	Notes	2014 £000	2013 £000
<b>Fixed assets</b>			
Investments	9	578,860	544,379
<b>Current assets</b>			
Debtors	10	<u>1,582,659</u>	<u>1,233,429</u>
		1,582,659	1,233,429
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,885,242)</u>	<u>(1,490,081)</u>
<b>Net current liabilities</b>		<u>(302,583)</u>	<u>(256,652)</u>
<b>Total assets less current liabilities</b>		<u>276,277</u>	<u>287,727</u>
<b>Net assets</b>		<u>276,277</u>	<u>287,727</u>
<b>Capital and reserves</b>			
Called up share capital	12	433,000	433,000
Profit and loss account	13	<u>(156,723)</u>	<u>(145,273)</u>
<b>Total shareholders' funds</b>	14	<u>276,277</u>	<u>287,727</u>

The financial statements on pages 6 to 16 were approved and authorised for issue by the Board of Directors on 31 July 2015 and were signed on its behalf by:



J Bell  
Director

Registered Number 04710850

The notes on pages 8 to 16 form part of these financial statements.

# **Centrica Beta Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2014**

### **1. Principal accounting policies**

#### **Accounting principles**

The financial statements have been prepared in accordance with applicable UK accounting standards, consistently applied accounting policies, and under the historical cost convention and the Companies Act 2006.

#### **Basis of preparation**

The Directors believe that the going concern basis is applicable for the preparation of the financial statements as the ultimate parent company, Centrica plc, has confirmed its present intention to provide financial support such that the Company is able to repay its liabilities as they fall due. In particular the amounts owed to the Group undertaking will not be required to be repaid for the foreseeable future.

#### **Exemptions**

The Company is a wholly owned subsidiary undertaking of Centrica plc and is included in the consolidated financial statements of Centrica plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 the Companies Act 2006.

The Company has also taken advantage of the exemptions within: Financial Reporting Standard No 1 (Revised) "Cash Flow Statements" from presenting a cash flow statement; and within Financial Reporting Standard No 8 "Related Party Disclosures" from disclosure of transactions with other Group companies.

#### **Reporting currency**

The Directors consider that the primary economic environment in which the Company operates is the United Kingdom. Accordingly the financial statements have been prepared in pounds sterling.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at closing rates of exchange.

Exchange differences on monetary assets and liabilities are taken to the profit and loss account, except that exchange differences on foreign currency borrowings used to finance or hedge foreign currency equity investments in overseas subsidiary undertakings are taken directly to reserves to the extent that they hedge the foreign exchange movements in the related assets.

Exchange differences on foreign currency equity investments are taken directly to reserves. All other exchange movements are taken to the profit and loss account.

#### **Investments in subsidiary undertakings**

Fixed asset investments are included in the balance sheet at cost, less accumulated provisions for any impairment.

# **Centrica Beta Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2014 (continued)**

### **1. Principal accounting policies (continued)**

#### **Asset impairment**

The company holds investments in subsidiaries and is owed money from fellow Group undertakings. For the purposes of impairment testing and recoverability assessments, the net realisable value of these entities has been measured by reference to the discounted cash flow value of the underlying assets in the specific businesses. Further details on the determination of underlying asset recoverable amounts is included in Note 3 of the Centrica Plc Annual Report and Accounts in the "Impairment of Long-Lived assets" section."

Fixed asset investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is initially assessed by reference to the value of the underlying net assets and then by the value of the relevant income generating unit.

The value in use calculations use cash flow projections based on the Group's internal Board-approved three year business plans. Cash flows are discounted using a pre-tax discount rate specific to each cash-generating unit to determine the cash-generating unit's value in use. The rate used in 2014 was 8.4% (2013: 8.4%).

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

#### **Interest**

Interest is accounted for on an accrual basis. Interest receivable from other Group companies registered overseas is presented inclusive of any overseas withholding tax.

#### **Taxation**

Current tax, being UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

#### **Financial instruments**

Share capital: Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received.

Interest bearing debt and loans: 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.

The Company is exempted by FRS 29 from providing detailed disclosures in respect of its financial instruments because it does not apply FRS 26.

### **2. Directors and employees**

#### **Directors -**

The aggregate emoluments paid to directors in respect of their qualifying services were £125,695 (2013: £114,502). The aggregate value of company contributions paid to a pension scheme in respect of directors' qualifying services were £10,814 (2013: £12,851). There were 2 directors (2013: 2) to whom retirement benefits are accruing under defined benefit pension schemes and 1 director (2013: 1) to whom retirement benefits are accruing under money purchase pension schemes. There were 2 directors (2013: 3) who received shares in the ultimate parent company in respect of their qualifying services under a long-term incentive scheme and 1 directors (2013: 2) who exercised share options relating to the ultimate parent company.

The Company had no employees during the year (2013: nil).

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### Employees

There were no employees of the company during the year ended 31 December 2014 (2013:nil).

### 3. Auditors' remuneration

Auditors' remuneration totalling £7,000 (2013: £7,000) relates to fees for the audit of the UK GAAP statutory financial statements of the Company and £1,000 (2013: nil) for other advisory services. The auditors' remuneration of £8,000 (2013: £7,000) is borne by Centrica plc.

### 4. Amounts written off receivables and investments

	2014 £000	2013 £000
Amount written-off receivable due from Centrica Resources (Nigeria) Limited	1,240	564
Amount written off investment in Centrica America Limited (note 9)	-	543,635
	<u>1,240</u>	<u>544,199</u>

A receivable from Centrica Resources (Nigeria) Limited was impaired as it was assessed as unlikely to be recoverable.

On 31 December 2013 the Company received a dividend of \$900,996,000 (£543,866,000) from Centrica America Limited, which reduced the net assets of that company, and subsequently an impairment against the cost of Centrica America Limited of £543,635,000 was also booked.

### 5. Income from shares in Group undertakings

	2014 £000	2013 £000
Dividend received from Centrica America Limited (\$900,996,000)	-	543,866

### 6. Interest receivable and similar income

	2014 £000	2013 £000
Interest receivable from Group undertakings	<u>24,205</u>	<u>8,907</u>

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 7. Interest payable and similar charges

	2014	2013
	£000	£000
Interest payable to Group undertakings	<u>40,789</u>	<u>26,176</u>

### 8. Tax on result on ordinary activities

(a) Tax on result on ordinary activities	2014	2013
The tax credit comprises:	£000	£000
Current tax:		
United Kingdom corporation tax at 21.49% (2013: 23.25%)	5,117	3,352
Total current tax	<u>5,117</u>	<u>3,352</u>

#### (b) Factors affecting the tax charge for the year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2014	2013
	£000	£000
Result on ordinary activities before taxation	<u>(25,035)</u>	<u>(14,746)</u>
Tax on result on ordinary activities at standard UK corporation tax rate of 21.5% (2013: 23.25%)	5,381	3,428
Effects of:		
Permanent differences		(76)
Expenses not deductible for tax purposes	(267)	-
Income not deductible for tax purposes	2	-
Partnership loss	1	-
Tax charge for the year	<u>5,117</u>	<u>3,352</u>

No deferred taxation has arisen in the year (2013: £nil).

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

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 9. Investments

#### Investments in subsidiaries

Cost	Investments in subsidiaries £000	Trade Investments £000	Total £000
1 January 2014	1,088,014	-	1,088,014
Additions	-	52	52
Foreign exchange gain	34,429	-	34,429
<b>31 December 2014</b>	<b>1,122,443</b>	<b>52</b>	<b>1,122,495</b>
<b>Provisions for Impairment</b>			
1 January 2014	(543,635)	-	(543,635)
Charge in year	-	-	-
<b>31 December 2014</b>	<b>(543,635)</b>	<b>-</b>	<b>(543,635)</b>
<b>Net book value</b>			
<b>31 December 2014</b>	<b>578,808</b>	<b>52</b>	<b>578,860</b>
31 December 2013	544,379	-	544,379

As at 31 December 2014 the Company had interests in the following principal undertakings:

Principal subsidiary undertakings	Business	Country of incorporation	Direct investment in ordinary shares (%)	Indirect interest in ordinary shares (%)
Airtron Inc	Home/commercial services	USA	-	100
Centrica America Limited	Holding company	UK	100	-
Centrica Finance (US) Limited	Holding company	UK	100	-
Centrica India Offshore Private Limited	Business services	India	100	-
Centrica US Holdings Inc	Holding company	USA	100	-
Centrica Nigeria Limited	Holding company	UK	100	-
Clockwork Inc	Home services	USA	-	100
CPL Retail Energy LP	Energy supply	USA	-	100
Direct Energy Business LLC	Energy supply	USA	-	100
Direct Energy LP	Energy supply	USA	-	100
Direct Energy Marketing Inc	Wholesale energy trading	USA	-	100
Direct Energy Marketing LLC	Energy supply	USA	-	100
Direct Energy New York Corporation	Energy supply	USA	-	100
Direct Energy Services LLC	Energy supply and home services	USA	-	100
Direct Energy Source LLC	Energy supply	USA	-	100
Direct Energy US Home Services Inc	Home/commercial services	USA	-	100
Energetix DE LLC	Energy supply	USA	-	100
Energy America LLC	Energy supply	USA	-	100
FCP Enterprises LLC	Energy supply	USA	-	100
Gateway Energy Services Corporation	Energy supply	USA	-	100
Home Warranty Holding Corporation	Insurance provision	USA	-	100
NYSEG Solutions LLC	Energy supply	USA	-	100
WTU Retail Energy LP	Energy supply	USA	-	100

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 9. Investments (continued)

All of these entities have accounting periods ending on 31 December. The Directors believe that the book value of investment is supported by the value of the underlying assets, or the value of the underlying income generating business.

On 5 November 2014 the Company made a contribution of £52,000 into Centrica International Cooperatief W.A. a group company newly incorporated in The Netherlands.

A full list of related undertakings is included in note 16 to the accounts.

### 10. Debtors

	2014	2013
Amounts falling due within one year:	£000	£000
Amounts owed by Group undertakings	<u>1,582,659</u>	<u>1,233,429</u>

Amounts owed by Group undertakings of £305,300,000 (2013: £303,689,000) are unsecured, accrue interest at the 3 month LIBOR rate applicable on the last day of the preceding quarter with interest payable quarterly in arrears and are repayable on demand.

Amounts owed by Group undertakings of US\$1,965,656,000 (2013: US\$1,529,920,000) are unsecured, accrue interest at the US Prime rate applicable on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand.

£7,317,000 (2013: £2,885,000) relates to accrued interest. The remaining balance of £8,469,000 (2013: £3,352,000) is a Group relief debtor and is unsecured and interest free.

Amounts owed by Group undertakings are net of impairment provisions of £46,853,000 (2013: £45,613,000)

### 11. Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Amounts owed to Group undertakings	<u>1,885,242</u>	<u>1,490,081</u>

Amounts owed to Group undertakings includes £40,608,000 (2013: £39,849,000) 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%). All amounts payable to Group undertakings are unsecured with interest payable monthly in arrears and are repayable on demand.

Amounts owed to Group companies totalling US\$2,855,106,000 (2013: US\$2,380,588,000) are unsecured, accrue interest at the US\$ Prime rate on the last day of the preceding quarter with interest payable monthly in arrears and are repayable on demand.

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

Amounts owed to Group undertakings includes US\$ nil (2013: US\$14,407,000) that bears interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. The interest rate was 3.25 % (2013: 3.25 %) per annum. All amounts payable to Group undertakings are unsecured with interest payable monthly in arrears and are repayable on demand.

Amounts owed to Group companies totalling £238,000 (2013: £238,000) are interest free and unsecured. The balance of £11,968,000 (2013: £4,307,000) relates to accrued interest.

### 12. Called up share capital

	2014 £000	2013 £000
<b>Called up, allotted and fully paid:</b>		
433,000,002 (2013: 433,000,002) ordinary shares of £1 each	<u>433,000</u>	<u>433,000</u>

### 13. Profit and loss account

	2014 £000	2013 £000
As at 1 January	(145,273)	(131,214)
Loss for the financial year	(19,918)	(11,394)
Exchange gain / (loss) arising on foreign currency investments	34,430	(21,737)
Exchange gain arising on foreign currency borrowings used to finance foreign currency equity investments	(25,962)	19,072
<b>As at 31 December</b>	<u><b>(156,723)</b></u>	<u><b>(145,273)</b></u>

### 14. Reconciliation of movements in shareholders' funds

	2014 £000	2013 £000
Loss for the financial year	(19,918)	(11,394)
Exchange gain / (loss) arising on foreign currency investments	34,430	(21,737)
Exchange (loss) / gain arising on foreign currency borrowings used to finance foreign currency equity investments	(25,962)	19,072
Net decrease in shareholders' funds	(11,450)	(14,059)
Opening shareholders' funds	287,727	301,786
Closing shareholders' funds	<u>276,277</u>	<u>287,727</u>

### 15. Ultimate parent undertaking

Centrica plc, a company registered in England and Wales, is the immediate and ultimate parent undertaking and controlling party, and the only company to consolidate the financial statements of Centrica Beta Holdings Limited. Copies of the Annual Report of Centrica plc may be obtained from [www.centrica.com](http://www.centrica.com)



# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 16. Related undertakings

The Company has the following related undertakings:

Related undertakings	Country of incorporation	Direct investment in ordinary shares (%)	Indirect interest in ordinary shares (%)
Airco Mechanical, Ltd	USA	-	100
Airtime, LLC	USA	-	100
Airtron, Inc	USA	-	100
Astrum Solar, Inc	USA	-	100
AWHR American's Water Heater Rentals, LLC	USA	-	100
Benjamin Franklin Franchising, LLC	USA	-	100
Bounce Energy NY, LLC	USA	-	100
Bounce Energy PA, LLC	USA	-	100
Bounce Energy, Inc	USA	-	100
Buymax, LLC	USA	-	100
Centrica Alpha Finance Limited	England	100	-
Centrica America Limited	England	100	-
Centrica Bastrop Finance Holdings	England	-	100
Centrica Finance (US) Limited	England	100	-
Centrica Holdco GP, LLC	USA	-	100
Centrica Nigeria Limited	England	100	-
Centrica Resources (Nigeria) Limited	Nigeria	-	100
Centrica US Holdings, Inc	USA	100	-
Clockwork Acquisition II, Inc	USA	-	100
Clockwork IP, LLC	USA	-	100
Clockwork, Inc	USA	-	100
CPL Retail Energy, LP	USA	-	100
Direct Energy Business Marketing, LLC	USA	-	100
Direct Energy Business, LLC	USA	-	100
Direct Energy GP, LLC	USA	-	100
Direct Energy Investments, LLC	USA	-	100
Direct Energy Leasing, LLC	USA	-	100
Direct Energy Marketing, Inc	USA	-	100
Direct Energy New York Corporation	USA	-	100
Direct Energy Operations, LLC	USA	-	100
Direct Energy Power Holdings, Inc	USA	-	100
Direct Energy Services Retail, Inc	USA	-	100
Direct Energy Services, LLC	USA	-	100
Direct Energy Small Business, LLC	USA	-	100
Direct Energy Source, LLC	USA	-	100
Direct Energy US Home Services, Inc	USA	-	100
Direct Energy, LP	USA	-	100
Energy America, LLC	USA	-	100
Energetix DE, LLC	USA	-	100
First Choice Power, LP	USA	-	100
First Choice Power GP, LLC	USA	-	100
First Choice Power Special Purpose, LP	USA	-	100
Gateway Energy Services Corporation	USA	-	100
Home Warranty Holdings Corp	USA	-	100
Home Warranty of America, Inc (California)	USA	-	100
Home Warranty of America, Inc (Illinois)	USA	-	100

# Centrica Beta Holdings Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

Related undertakings	Country of incorporation	Direct investment in ordinary shares (%)	Indirect interest in ordinary shares (%)
Manheim CNG Center, LLC	USA	-	50
Masters, Inc	USA	-	100
Mister Sparky Franchising, LLC	USA	-	100
New Millenium Academy, LLC	USA	-	100
NYSEG Solutions, LLC	USA	-	100
O'Connor Plumbing, Heating & Cooling, Inc	USA	-	100
One Hour Air Conditioning Franchising, LLC	USA	-	100
Phoenix Energy Technologies, Inc	USA	-	9.3
Quality A/C Services, LLC	USA	-	100
RSG Holding Corp.	USA	-	100
Successware, Inc	USA	-	100
Three Rivers Solar 1, LLC	USA	-	40
Uwin, LLC	USA	-	100
Willis Refrigeration, Air Conditioning & Heating, Inc	USA	-	100
WTU Retail Energy, LP	USA	-	100