

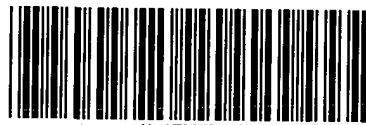
Registered No: 05579645

Centrica Nigeria Limited

Annual Report and Financial Statements

for the year ended 31 December 2014

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COMPANIES HOUSE

Centrica Nigeria Limited

Directors

NW Lumley

R Ozsanlav

C Redcliffe

Company Secretary

Centrica Secretaries Limited

Independent Auditors

PricewaterhouseCoopers LLP

32 Albyn Place

Aberdeen

AB10 1YL

Solicitors

Burness Paull

1 Union Wynd

Aberdeen

AB10 1SL

Registered office

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

Centrica Nigeria Limited

Annual Report and Financial Statements for the year ended 31 December 2014

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Centrica Nigeria Limited

Directors' Report for the year ended 31 December 2014

The Directors present their report and the audited Financial Statements of Centrica Nigeria Limited (the "Company") for the year ended 31 December 2014.

Principal activities

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

Business review

The Company meets the requirements of a small entity under the Companies Act 2006 Section 382 and, therefore, the Company is exempt from disclosing further information in line with the business review and strategic report requirements.

Future developments

The Company will continue to act as an investment holding company for the foreseeable future.

Results and dividends

The results of the Company are set out on page 5. The result for the year ended 31 December 2014 is £nil (2013: £nil). No dividends were paid during the year (2013: £nil) and the Directors do not recommend the payment of a final dividend (2013: £nil).

Financial position

The financial position of the Company is presented in the Balance Sheet on page 6. Shareholder's funds at 31 December 2014 were £2 (2013: £2).

Principal risks and uncertainties

From the perspective of the Company the principal risks and uncertainties are integrated with the principal risks of the Centrica plc group (the "Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 40-45 of the 2014 Annual Report and Accounts of the Group, which does not form part of this report.

Key performance indicators (KPIs)

The directors of the Centrica plc Group (the 'Group') manage the Group's operations on a divisional basis. For this reason the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development or position of the business. The development and position of the Group, which includes the Company, is discussed on pages 18-19 of the Group's 2014 Annual Report and Accounts.

Directors

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

NW Lumley	(appointed 1 January 2014)
R Ozsanlav	(appointed 1 January 2014)
C Redcliffe	
C McCallum	(resigned 1 January 2014)

Political donations

The Company made no political donations during the year (2013: £nil).

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 and up to the date of signing of the Financial Statements. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Centrica Nigeria Limited

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

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 elected to prepare 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;
- 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

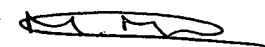
Each of the Directors who held office at the date of approval of this Directors' report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and they have taken all the steps that they ought to have taken as a Directors to make themselves 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the Board on 14 May 2015.



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

Company registered in England and Wales. No 05579645

Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

Centrica Nigeria Limited

Independent Auditors' Report to the members of Centrica Nigeria Limited

Report on the financial statements

Our opinion

In our opinion, Centrica Nigeria 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 result 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 Nigeria 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 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 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 Nigeria Limited

Independent Auditors' Report to the members of Centrica Nigeria 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 & 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 Directors' 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.

Bruce Collins (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Aberdeen

14 May 2015

Centrica Nigeria Limited

Profit and Loss Account for the year ended 31 December 2014

	Note	2014 £	2013 £
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	4	-	-
Result for the financial year	8	-	-

All activities relate to continuing operations.

The Company has no recognised gains and losses other than the result for the year stated above and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between historical cost results and the results on ordinary activities before taxation and result for the financial year as stated above.

A statement of movements in shareholders' funds is shown in note 9.

The notes on pages 7 to 10 form part of these Financial Statements.

Centrica Nigeria Limited

Balance Sheet as at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	5	-	-
Current assets			
Debtors	6	2	2
Net assets		2	2
Capital and reserves			
Called up share capital	7	42,799	42,799
Profit and loss account	8	(42,797)	(42,797)
Total shareholder's funds	9	2	2

The notes on pages 7 to 10 form part of these Financial Statements.

The Financial Statements on pages 5 to 10 were approved and authorised for issue by the Board of Directors on 14 May 2015 and were signed on its behalf by:



R Ozsanlav
Director

Registered number: 05579645

Centrica Nigeria Limited

Notes to the Financial Statements for the year ended 31 December 2014

1. Principal accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below:

(a) Basis of preparation

These financial statements have been prepared on the going concern basis under the historical cost convention in accordance with applicable UK accounting standards and the Companies Act 2006. The accounting policies, where applicable, are in accordance with the Statement of Recommended Practice (SORP) 'Accounting for Oil and Gas Exploration, Development, Production and Decommissioning Activities' issued by the UK Oil Industry Accounting Committee on 7 June 2001. The following policies have been applied consistently to the Company's financial statements.

(b) Exemptions

The Company is a wholly owned subsidiary undertaking of Centrica plc. The Company has taken advantage of the exemptions within FRS 1, "Cash Flow Statements" from presenting a cash flow statement; within Section 400 of the Companies Act 2006, from consolidating its subsidiary undertakings; and within FRS 8 "Related Party Disclosures", from disclosing transactions with other Group companies.

(c) Fixed asset investments

Fixed asset investments are included in the Balance Sheet at cost, less accumulated provisions for any impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

(d) Impairment

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's net realisable value less costs to sell and value in use.

(e) Taxation

The current tax charge is based on the taxable profit for the year. Taxable profits differ from the profit reported in the Profit & Loss Account due to timing differences and other items that require adjustment as set out in legislation. The company's liability for tax is calculated using rates enacted or substantively enacted at 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 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.

Tax losses are surrendered or claimed in the form of group relief with consideration being received or paid accordingly. The group relief amount is recorded separately within the debtors and creditors amounts in the Balance Sheet, as applicable, and is calculated by applying the tax rate enacted or substantially enacted at the Balance Sheet date to the loss amount.

Centrica Nigeria Limited

Notes to the Financial Statements for the year ended 31 December 2014 (continued)

2. Directors and employees

Directors' remuneration

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.

No compensation was paid to Directors for loss of office (2013: nil).

Employee costs and numbers

There were no employees during the year and no staff costs (2013: nil).

3. Auditors' remuneration

Auditors' remuneration relates to fees for the audit of the UK GAAP statutory financial statements of Centrica Nigeria Limited and includes fees in relation to the audit of the IFRS group consolidation schedules, for the purpose of the Centrica Group audit. The auditors' remuneration of £7,000 (2013: £7,000) is borne by Centrica plc and is not recharged to the Company.

A further £1,000 was paid to the auditors in relation to taxation compliance services (2013: £nil).

4. Tax on result on ordinary activities

Analysis of tax charge

There is nil (2013: nil) tax charge during the year.

The standard rate of corporation tax is 21.5% (2013: 23.25%)

The tax rate for the year is the same (2013: the same) as the corporation tax rate in the UK.

	2014 £'000	2013 £'000
Result on ordinary activities before taxation	-	-
Tax on result on ordinary activities at standard UK corporation tax rate of 21.5% (2013: 23.25%)	-	-
Total current tax	-	-

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 Nigeria Limited

Notes to the Financial Statements for the year ended 31 December 2014 (continued)

5. Investments

	2014	2013
Cost	£	£
As at 1 January and 31 December	-	-

In 2009 Centrica Resources (Nigeria) Limited, a wholly owned subsidiary of the Company, signed a Sale and Purchase Agreement with Newcross Petroleum Limited for the sale of its interest in OPL 283. The approval of the Nigerian Minister of Petroleum Resources to the assignment was subsequently received and the sale of licence completed in August 2010. A sale of Centrica Resources (Nigeria) Limited's interest in OPL 276 could not be completed before the completion of the Exploration Phase under the OPL 276 licence which expired on 16 February 2011. However, subsequent to this, Centrica Resources (Nigeria) Limited executed a Sale and Purchase agreement with Newcross Petroleum Limited for the sale of its interest in OPL 276. In addition to the normal course of business approvals and consents necessary to complete the transaction, completion is subject to and conditional upon the approval of an extension to the Exploration Phase (as defined in the Production Sharing Contract for OPL 276). The sale of OPL 283 did not generate enough proceeds to repay its inter-company loan from Centrica Beta Holdings Limited. Therefore the total fixed asset investment was impaired in the Company's Financial Statements in 2009.

Performance bonds, currently valued at a potential liability of \$17.3m, are held by Centrica Resources (Nigeria) Limited. The Nigerian National Petroleum Corporation (NNPC) have confirmed that Centrica have been released from these liabilities, but final written confirmation of this is outstanding.

6. Debtors

	2014	2013
	£	£
Amounts owed by fellow Group undertakings	2	2

7. Called up share capital

	2014	2013
Allotted and fully paid	£	£
42,799 (2013: 42,799) ordinary shares of £1 each	42,799	42,799

8. Profit and loss account

	£
At 1 January 2014	(42,797)
Result for the financial year	-
At 31 December 2014	(42,797)

9. Reconciliation of movements in total shareholder's funds

	2014	2013
	£	£
Total shareholder's funds as at 1 January	2	2
Result for the financial year	-	-
Total shareholder's funds as at 31 December	2	2

Centrica Nigeria Limited

Notes to the Financial Statements for the year ended 31 December 2014 (continued)

10. Ultimate parent undertaking

Centrica Beta Holdings Limited, a company registered in England and Wales, is the immediate parent undertaking. Centrica plc, a company registered in England and Wales, is the ultimate parent undertaking and controlling party and is the largest and smallest group to consolidate the Financial Statements of Centrica Nigeria Limited. Copies of the Financial Statements of Centrica plc may be obtained from www.centrica.com.