

Registration number: 05625463

# Centrica Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2015



# **Centrica Holdings Limited**

## **Contents**

Strategic Report	1 to 2
Directors' Report	3 to 5
Statement of Directors' Responsibilities	4
Independent Auditors' Report	6 to 8
Income Statement	9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 38

# **Centrica Holdings Limited**

## **Strategic Report for the Year Ended 31 December 2015**

The Directors present their Strategic Report of Centrica Holdings Limited (the 'Company') for the year ended 31 December 2015.

### **Review of the business**

The Company's Financial Statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosures Framework ('FRS 101'). The Company's transition date to FRS 101 was 1 January 2014 and comparatives have been restated accordingly. For details of the transition to FRS 101 and the effect of the change on the Company's financial position, see notes 2 and 17.

The principal activity of the Company is to act as an investment holding company for the Centrica plc group (the 'Group'). The financial position of the company is presented in the statement of financial position on page 11. Total equity at 31 December 2015 was £2,392,777,000 (2014: £2,498,679,000). The profit for the financial year ended 31 December 2015 was £623,098,000 (2014: £1,724,082,000).

On 20 November 2015, the Company subscribed for one share in GB Gas Holdings Limited for £3,000,000,001. In addition on 30 November 2015, the Company lent £2,000,000,000 to GB Gas Holdings Limited. Both transactions were funded by additional borrowings from Centrica plc.

### **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 Group's cost of funds. The Group 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. As the interest rate risks of the Company relate to transactions with other Group companies they are not actively managed by the Company.

The principal risks and uncertainties for the Group, which include those of the Company, are discussed on pages 38 - 42 of the Group's 2015 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 KPI's necessary for an understanding of the development, performance and position of the business are net assets and results after tax and these are shown above.

### **Future developments**

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


### **Important non adjusting events after the financial year end**

In June 2016, a UK referendum resulted in a vote for the country to leave the European Union and the resultant uncertainty adds to the challenges for UK businesses in all sectors. This uncertainty may lead to volatility in markets with potential fluctuations in foreign exchange rates and interest rates. These movements could impact, amongst other things, the translational value of our overseas subsidiaries (e.g. North America), and other assets, and the carrying value and cost of servicing our debt. Sensitivity analysis associated with the Group's exposure to currency, interest rate and commodity price risk was included in note S3 of the Group's Annual Report and Accounts for 2015. Overall, we judge the direct impacts on the Group and the Company specifically to be minimal in the short term.

**Centrica Holdings Limited**

**Strategic Report for the Year Ended 31 December 2015 (continued)**

Approved by the Board on 16 September 2016 and signed on its behalf by:



.....  
Company Secretary

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

Company registered in England and Wales, No. 05625463

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

# **Centrica Holdings Limited**

## **Directors' Report for the Year Ended 31 December 2015**

The Directors present their report and the Financial Statements for the year ended 31 December 2015.

### **Directors of the Company**

The directors who held office during the year were as follows:

J Bell

I G Dawson

### **Results and dividends**

The results of the Company are set out on page 9. The profit for the financial year ended 31 December 2015 is £623,098,000 (2014: profit £1,724,082,000). On 3 September 2015 the company paid an interim dividend of £729,000,000 (2014: £1,770,000,000). The directors do not recommend the payment of a final dividend (2014: £Nil).

The analysis of intercompany debtors and creditors had been incorrectly grossed up at 31 December 2014, as a result of netting intercompany cash flows. This error is material to the 2014 comparatives and the effect of the restatement is to decrease 2014 debtors and creditors by £1,518,000,000. This prior year restatement has also been recorded in the financial statements of the counterparty Centrica plc with whom the associated debtors and creditors are with. There has been no impact on net current assets, net assets or the income statement as a result of the restatement.

### **Future developments**

Future developments are discussed in the Strategic Report on page 1.

### **Going concern**

The Financial Statements have been prepared on a going concern basis as, the ultimate parent company Centrica plc, intends to support the Company to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the Financial Statements were authorised.

### **Directors' and officers' liabilities**

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 Holdings Limited**

### **Directors' Report for the Year Ended 31 December 2015 (continued)**

#### **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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 FRS 101 has 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 the 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 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.

#### **Reappointment of auditors**

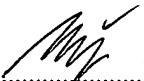
In accordance with section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

**Centrica Holdings Limited**

**Directors' Report for the Year Ended 31 December 2015 (continued)**

**Statement of Directors' Responsibilities (continued)**

Approved by the Board on 16 September 2016 and signed on its behalf by:



.....  
Company Secretary

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

Company registered in England and Wales, No. 05625463

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

## **Centrica Holdings Limited**

### **Independent Auditors' Report to the Members of Centrica Holdings Limited**

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

##### ***Our opinion***

In our opinion, Centrica 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 2015 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***

The financial statements, included within the Annual Report and Financial Statements (the 'Annual Report'), comprise:

- the statement of financial position as at 31 December 2015;
- the income statement and statement of comprehensive income for the year then ended;
- the statement of changes in equity 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), including FRS 101 'Reduced Disclosure Framework'.

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.

##### **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 addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.



## **Centrica Holdings Limited**

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

#### **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.

#### **Responsibilities for the financial statements and the audit**

As explained more fully in the Directors' Responsibilities Statement, set out on page 4, 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.

## **Centrica Holdings Limited**

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

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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

.....  
Alan Walsh (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

London

16 September 2016

## Centrica Holdings Limited

### Income Statement for the Year Ended 31 December 2015

	Notes	2015 £ 000	2014 £ 000
Dividends received	5	729,000	1,770,000
Finance income	5	20,090	28,593
Finance cost	5	<u>(152,874)</u>	<u>(87,085)</u>
Profit before income tax		596,216	1,711,508
Income tax credit	7	<u>26,882</u>	<u>12,574</u>
Profit for the financial year		<u>623,098</u>	<u>1,724,082</u>

The above results were derived from continuing operations.

The notes on pages 13 to 38 form an integral part of these financial statements.

## Centrica Holdings Limited

### Statement of Comprehensive Income for the Year Ended 31 December 2015

	2015 £ 000	2014 £ 000
Profit for the financial year	<u>623,098</u>	<u>1,724,082</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u><u>623,098</u></u>	<u><u>1,724,082</u></u>

The notes on pages 13 to 38 form an integral part of these financial statements.

# Centrica Holdings Limited

## Statement of Financial Position as at 31 December 2015

	Note	2015 £ 000	2014 £ 000 Restated (1)
<b>Non-current assets</b>			
Investments	8	10,000,000	7,000,000
		<u>10,000,000</u>	<u>7,000,000</u>
<b>Current assets</b>			
Trade and other receivables	9	2,546,823	553,309
		<u>2,546,823</u>	<u>553,309</u>
<b>Total assets</b>		<u>12,546,823</u>	<u>7,553,309</u>
<b>Current liabilities</b>			
Trade and other payables	10	(10,154,046)	(5,054,630)
		<u>(10,154,046)</u>	<u>(5,054,630)</u>
<b>Total liabilities</b>		<u>(10,154,046)</u>	<u>(5,054,630)</u>
<b>Net assets</b>		<u>2,392,777</u>	<u>2,498,679</u>
<b>Equity</b>			
Called up share capital	11	-	-
Retained earnings		<u>2,392,777</u>	<u>2,498,679</u>
<b>Total equity</b>		<u>2,392,777</u>	<u>2,498,679</u>

(1) Trade and other receivables and trade and other payables have been restated as described in the Directors Report and notes 9 and 10.

The financial statements on pages 9 to 38 were approved and authorised for issue by the Board of Directors on 16 September 2016 and signed on its behalf by:



J Bell

Director

Company number 05625463

The notes on pages 13 to 38 form an integral part of these financial statements.

# Centrica Holdings Limited

## Statement of Changes in Equity for the Year Ended 31 December 2015

	Called up share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2015	-	2,498,679	2,498,679
Profit for the year and other comprehensive income	-	623,098	623,098
Dividends	-	(729,000)	(729,000)
At 31 December 2015	-	2,392,777	2,392,777

	Called up share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2014	-	2,544,597	2,544,597
Profit for the year and other comprehensive income	-	1,724,082	1,724,082
Dividends	-	(1,770,000)	(1,770,000)
At 31 December 2014	-	2,498,679	2,498,679

The notes on pages 13 to 38 form an integral part of these financial statements.

# **Centrica Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **1 General information**

Centrica Holdings Limited (the 'Company') is a company limited by share capital incorporated and domiciled in the UK.

These Financial Statements were authorised for issue by the Board on 16 September 2016.

### **2 Accounting policies**

#### **Summary of disclosure exemptions**

The Company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements as it's a wholly-owned subsidiary of Centrica Plc. These financial statements present information about the Company as an individual undertaking and not about its group, and have been prepared on a going concern basis, as described in the Directors' Report.

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 International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has effected the reported financial position and financial performance of the Company is provided in note 17.

IFRS 1 grants certain exemptions from the full requirements of Adopted IFRSs in the transition period. The following exemptions have been taken:

- Investments in subsidiaries, associates and joint ventures - on transition to FRS 101, investments in subsidiaries are measured at deemed cost, being the previous GAAP carrying value of the investment;

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

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of related parties transactions with wholly-owned subsidiaries; and
- The effects of new but not yet effective IFRSs.

## **Centrica Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)**

#### **2 Accounting policies (continued)**

Note that the Company has early adopted the following amendments to FRS 101 (effective for periods beginning on or after 1 January 2016) in these financial statements:

- Presentation of IAS format financial statements; and
- Exemption from the presentation of a third balance sheet (being the opening balance sheet of the Company at the date of application of FRS 101).

As the consolidated financial statements of Centrica Plc 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 IFRS 13 Fair value measurement and the disclosures required by IFRS 7 Financial instrument disclosures have not been provided.

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.

The financial statements are prepared on the historical cost basis.

#### **Going concern**

The Financial Statements have been prepared on a going concern basis as, the ultimate parent company Centrica plc, intends to support the Company to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the Financial Statements were authorised.

#### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 January 2014 have had a material effect on the financial statements.

#### **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.



## **Centrica Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)**

#### **2 Accounting policies (continued)**

##### **Taxation**

Current tax, including UK corporation tax, UK petroleum revenue tax and foreign 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. 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 balance sheet date, except to the extent that the deferred tax arises from the initial recognition of goodwill 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 balance sheet date.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

##### **Dividend income**

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

##### **Investments in subsidiaries**

Fixed assets investments in subsidiaries' shares are held at cost, or deemed cost, in accordance with IAS 27, less any provision for impairment as necessary.

## **Centrica Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)**

#### **2 Accounting policies (continued)**

##### **Impairment of non-financial assets**

The carrying amounts of the Company's non-financial 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 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 "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units ("CGU").

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 is reversed if and only if the reasons for the impairment have ceased to apply. 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.

##### **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 amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are initially recognised at fair value, which is usually original invoice amount and are subsequently held at amortised cost using the effective interest rate ('EIR') (although in practice the discounting is often immaterial) less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the Group may not be able to collect the trade receivable. Balances are written off when recoverability is assessed as being remote. If collection is due in one year or less receivables are classified as current assets. If not they are presented as non-current assets.

##### **Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are initially recognised at fair value, which is usually original invoice amount and are subsequently held at amortised cost using the EIR 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.

## **Centrica Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)**

#### **2 Accounting policies (continued)**

##### **Interest bearing loans and other borrowings**

All interest-bearing (and interest free) loans and other borrowings with banks or and similar institutions and 'intercompany entities' are initially recognised at fair value net of directly attributable transaction costs (if any, in respect of 'intercompany funding'). After initial recognition, these financial instruments are measured at amortised cost using the EIR 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**

The Company does not deem its investment in subsidiaries, associates and joint ventures as well as related receivables to be impaired and supports this judgment through its impairment review process.

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 4 Employees' costs

In respect of the Directors' remuneration, refer to note 14 "related party transactions".

The Company had no employees during the year (2014: Nil).

### 5 Net finance income/cost

#### Finance income

	2015 £ 000	2014 £ 000
Interest income from amounts owed by group undertakings	20,090	28,593
Dividend income from group undertakings	729,000	1,770,000
<b>Total finance income</b>	<b>749,090</b>	<b>1,798,593</b>

#### Finance interest

	2015 £ 000	2014 £ 000
Interest on amounts owed to group undertakings	(152,874)	(87,085)
<b>Total finance cost</b>	<b>(152,874)</b>	<b>(87,085)</b>
<b>Net finance income</b>	<b>596,216</b>	<b>1,711,508</b>

### 6 Auditors' remuneration

Auditors' remuneration totalling £23,924 (2014: £9,000) relates to fees for the audit of the financial statements of the Company and is borne by Centrica plc.

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.

### 7 Income tax

Tax credited in the income statement

	2015 £ 000	2014 £ 000
<b>Current taxation</b>		
UK corporation tax at 20.25% (2014: 21.49%)	26,882	12,574

The Company earns the majority of its profits in the UK. Most of these UK activities are subject to the standard rate for UK corporation tax, which from 1 April 2015 was 20% (2014: 21%).

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 7 Income tax (continued)

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

	2015 £ 000	2014 £ 000
Profit before tax at 20.25% (2014: 21.49%)	596,216	1,711,508
Tax expense at standard UK rate	120,713	367,856
<i>Effects of:</i>		
Increase arising from group relief tax reconciliation	5	-
Decrease from transfer pricing adjustments	(5)	(2)
Increase in current tax from unrecognised temporary difference from a prior period	2	-
Other tax effects for reconciliation between accounting profit and tax income	(147,597)	(380,428)
Total income tax credit	(26,882)	(12,574)

#### *Factors that may affect future tax changes*

The main rate of corporation tax was reduced to 20% from 1 April 2015. Further reductions were enacted by Finance (No. 2) Act 2015 to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. These enacted reduced rates of corporation tax have been reflected within these financial statements. The Chancellor of the Exchequer has announced a further reduction in the rate, to 17% from 1 April 2020, which is expected to be substantively enacted as part of the Summer Finance Bill 2016 and is therefore not reflected in these financial statements. As such, the previously enacted rate of 18% from 1 April 2020 will not come into effect. The impact of the reduction in the corporate tax rate to 17% on the financial statements is not expected to be significant.

### 8 Investments

#### *Investments classified as non-current*

On 20 November 2015, the Company subscribed for one share in GB Gas Holdings Limited for £3,000,000,001. In addition on 30 November 2015, the Company lent £2,000,000,000 to GB Gas Holdings Limited. Both transactions were funded by additional borrowings from Centrica plc.

Fixed assets investments in subsidiaries' shares are held at cost, or deemed cost, in accordance with IAS 27, less any provision for impairment as necessary.

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 8 Investments (continued)

<i>a) Equity investments</i>	Shares in group undertakings (subsidiaries) £ 000	Total £ 000
<b>Cost</b>		
At 1 January 2015	7,000,000	7,000,000
Additions	3,000,000	3,000,000
At 31 December 2015	<u>10,000,000</u>	<u>10,000,000</u>

### 9 Trade and other receivables

	2015 £ 000	2014 Restated £ 000
Amounts owed by group undertakings	<u>2,546,823</u>	<u>553,309</u>

Amounts owed by GB Gas Holdings of £2,005,840,000 (2014: £nil) accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is paid monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

Amounts owed by Centrica SHB Limited of £456,292,000 (2014: £444,110,000) accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is paid monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

Amounts owed by Centrica plc Limited of £75,000,000 (2014: £75,000,000) accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is due to be repaid on the repayment date. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

Amounts owed which are interest free are £nil (2014: £34,199,000).

The remaining balance related to accrued interest of £9,691,000 (2014: £nil)

All amounts owed by group undertakings are unsecured and repayable on demand.

The analysis of intercompany debtors and creditors had been incorrectly grossed up at 31 December 2014. This error is material to the 2014 comparatives. The effect of the restatement is to decrease 2014 debtors and creditors by £1,518,000,000. There has been no impact on net current assets, net assets or the income statement as a result of the restatement. The balance before restatement was £2,071,369,000.

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 10 Trade and other payables

	2015	2014
	£ 000	Restated £ 000
Amounts owed to group undertakings	10,154,046	5,054,630

Amounts owed to British Gas Trading Limited of £700,000,000 (2014: £700,000,000) accrues interest at a fixed interest charge of 3.50% throughout the year (2014: 3.50%). Interest accrues on the last day of the previous month and is due to be repaid on the repayment date.

Amounts owed to British Gas Trading Limited of £1,450,000,000 (2014: £1,450,000,000) accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is due to be paid on the repayment date. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

Amounts owed to GB Gas Holdings of £456,292,000 (2014: £444,110,000) accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is paid monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

Amounts owed to Hydrocarbon Resources Limited of £1,967,000,000 (2014: £1,967,000,000) accrues interest at 3 month LIBOR plus 20 basis points. Interest accrues on the last day of the previous month and is due to be paid on the repayment date.

Amounts owed to Centrica plc includes £5,435,285,000 (2014: £411,954,000) that accrues interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. Interest accrues on the last day of the previous month and is paid monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 2.36% and 2.88% (2014: 1.69% and 1.90%).

The remaining balance related to accrued interest of £145,469,000 (2014: £81,566,000).

All amounts owed to group undertakings are unsecured and repayable on demand.

The analysis of intercompany debtors and creditors had been incorrectly grossed up at 31 December 2014. This error is material to the 2014 comparatives. The effect of the restatement is to decrease 2014 debtors and creditors by £1,518,000,000. There has been no impact on net current assets, net assets or the income statement as a result of the restatement. The balance before restatement was £6,572,690,000.

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 11 Called up share capital

#### Allotted, called up and fully paid shares

	2015		2014	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	-	-	-	-

### 12 Dividends paid and proposed

	2015 £ 000	2014 £ 000
<i>Declared and paid during the year</i>		
Interim dividend of £364,500,000 (2014 - £885,000,000) per ordinary share	729,000	1,770,000
	<u>729,000</u>	<u>1,770,000</u>

No final dividends were issued (2014: £nil).

### 13 Related undertakings

The company has related undertakings as follows:

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
1773648 Alberta Ltd.	Gas and/or oil exploration and products and/or trading	Canada	A	Ordinary shares		100
509760 Alberta Ltd. (iii)	Gas and/or oil exploration and production	Canada	Z	Ordinary shares		43



# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
8401268 Canada Inc.	Gas and/or oil exploration and products and/or trading	Canada	B	Ordinary shares		100
Accord Energy (Trading) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Accord Energy Limited	Dormant	United Kingdom	C	Ordinary shares		100
AirTime Canada ULC	Home and/or commercial services	Canada	D	Ordinary shares		100
Alertme.com GmbH (ii)	Non-trading	Germany	E	Ordinary shares		100
Alertme.com Inc. (ii)	Energy management products and services	United States	F	Ordinary shares		100
Alertme.com Ltd. (ii) (vii)	Energy management products and services	United Kingdom	C	Ordinary and preference shares		100
Atform Limited	Dormant	United Kingdom	C	Ordinary shares		100
BGPGS Limited	Dormant	United Kingdom	C	Ordinary shares		100
BMS Setpoint Limited	Dormant	United Kingdom	C	Ordinary shares		100
BMS Solutions Limited	Dormant	United Kingdom	C	Ordinary shares		100
Bord Gáis Energy Limited	Energy supply and power generation	Republic of Ireland	G	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Bowland Resources (No.2) Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Bowland Resources Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Brae Canada Ltd	Gas and/or oil exploration and production	Canada	A	Ordinary and preference shares		100
British Gas Direct Employment Limited	In liquidation	United Kingdom	C	Ordinary shares		100
British Gas Energy Procurement Limited	Energy supply	United Kingdom	C	Ordinary shares		100
British Gas Energy Services Limited	Energy management products and services	United Kingdom	C	Ordinary shares		100
British Gas Finance Limited	Vehicle leasing	United Kingdom	C	Ordinary shares		100
British Gas Housing Services Limited	Dormant	United Kingdom	C	Ordinary shares		100
British Gas Insurance Limited	Insurance provision	United Kingdom	C	Ordinary shares		100
British Gas Limited	Dormant	United Kingdom	C	Ordinary shares		100
British Gas New Heating Limited	Electrical and gas installations	United Kingdom	C	Ordinary shares		100
British Gas Services (Commercial) Limited	Servicing and installation of heating systems	United Kingdom	C	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
British Gas Services Limited	Home services	United Kingdom	C	Ordinary shares		100
British Gas Social Housing Limited	Servicing and installation of heating systems	United Kingdom	C	Ordinary shares		100
British Gas Solar Limited	Dormant	United Kingdom	C	Ordinary shares		100
British Gas Trading Limited	Energy supply	United Kingdom	C	Ordinary shares		100
Business Gas Limited	Dormant	United Kingdom	C	Ordinary shares		100
Caythorpe Gas Storage Limited	Gas storage	United Kingdom	H	Ordinary shares		100
Celtic Array Limited	Dormant	United Kingdom	C	Ordinary shares		50
Central Recoveries Limited	In liquidation	United Kingdom	C	Ordinary shares		100
Centrica (BOW) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica (DSW) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica (IOM) Limited	Dormant	Isle of Man	I	Ordinary shares		100
Centrica (Lincs) Wind Farm Limited	Holding company	United Kingdom	C	Ordinary shares		100
Centrica 25 Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica 27 Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Barry Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Brigg Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Combined Common Investment Fund Limited	Dormant	United Kingdom	C	Ordinary shares		100

## Centrica Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

#### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Centrica Delta Limited	Dormant	Isle of Man	J	Ordinary shares		100
Centrica Directors Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Electric Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Energy (Trading) Limited	Wholesale energy trading	United Kingdom	C	Ordinary shares		100
Centrica Energy Limited	Wholesale energy trading	United Kingdom	C	Ordinary shares		100
Centrica Energy Marketing Limited	Wholesale energy trading	United Kingdom	C	Ordinary shares		100
Centrica Energy Operations Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Energy Renewable Investments Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Energy Tolling BV	Power generation	Netherlands	K	Ordinary shares		100
Centrica Engineers Pension Trustees Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica F3 Developments Limited	Dormant	United Kingdom	L	Ordinary shares		100
Centrica Finance (Canada) Limited	Holding company	United Kingdom	C	Ordinary shares		100
Centrica Finance (Scotland) Limited	Holding company	United Kingdom	L	Ordinary shares		100
Centrica Finance Investments Limited	Non-trading	United Kingdom	C	Ordinary shares		100
Centrica Finance Limited Partnership	Group financing	United Kingdom	L	Membership interest		100
Centrica Finance Norway Limited	Investment company	Jersey	M	Ordinary shares		100
Centrica Gamma Holdings Limited	Holding company	United Kingdom	C	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Centrica Ignite GP Limited	Investment company	United Kingdom	C	Ordinary shares		100
Centrica Ignite LP Limited	Investment company	United Kingdom	C	Ordinary shares		100
Centrica India Offshore Private Limited	Business services	India	N	Ordinary shares		100
Centrica Infrastructure BV	Construction, ownership and exploitation of infrastructure	Netherlands	K	Ordinary shares		100
Centrica Infrastructure Limited	Dormant	United Kingdom	L	Ordinary shares		100
Centrica Insurance Company Limited	Insurance provision	Isle of Man	I	Ordinary and preference shares		100
Centrica International BV	Group financing	Netherlands	K	Ordinary shares		100
Centrica International Coöperatief WA	Investment company	Netherlands	K	Membership interest		100
Centrica Jersey Limited	Dormant	Jersey	O	Ordinary shares		100
Centrica KL Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica KPS Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Lake Limited	Holding company	United Kingdom	C	Ordinary shares		100
Centrica Langage Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Leasing (KL) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Leasing (PB) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica LNG Company Limited	LNG Trading	United Kingdom	C	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Centrica LNG UK Limited (ii)	Dormant	United Kingdom	C	Ordinary shares		100
Centrica LSA Trust Limited	In liquidation	United Kingdom	C	Ordinary shares		100
Centrica Nederland BV	Holding company	Netherlands	K	Ordinary shares		100
Centrica No. 12 Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Nominees No.1 Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica North Sea Gas Exploration Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica North Sea Gas Limited	Gas and/or oil exploration and production	United Kingdom	L	Ordinary shares		100
Centrica North Sea Limited (iii)	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Centrica North Sea Oil Limited	Gas and/or oil exploration and production	United Kingdom	L	Ordinary shares		100
Centrica Norway Limited (iv)	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Centrica Offshore UK Limited	Gas and/or oil exploration and production	United Kingdom	H	Ordinary shares		100
Centrica Onshore Processing UK Limited	Dormant	United Kingdom	H	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Centrica Overseas Holdings Limited	Holding company	United Kingdom	C	Ordinary shares		100
Centrica PB Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Pension Plan Trustees Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Pension Trustees Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Production (DMF) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Production (GMA) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Production (Services) Limited	Business services	United Kingdom	L	Ordinary shares		100
Centrica Production Limited	Dormant	United Kingdom	L	Ordinary shares		100
Centrica Production Nederland BV	Gas and/or oil exploration and production	Netherlands	K	Ordinary Shares		100
Centrica Production Trustees Limited	Dormant	United Kingdom	L	Ordinary shares		100
Centrica Renewable Energy Limited	Holding company	United Kingdom	C	Ordinary shares		100
Centrica Resources (Armada) Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Centrica Resources (Norge) AS	Gas and/or oil exploration and production	Norway	P	Ordinary shares		100
Centrica Resources (UK) Limited	Dormant	United Kingdom	C	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Centrica Resources Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Centrica Resources Petroleum UK Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Retail Holdings Netherlands BV	Holding company	Netherlands	K	Ordinary shares		100
Centrica RPS Limited (v)	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Secretaries Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica SHB Limited	Power generation	United Kingdom	C	Ordinary shares		100
Centrica Shipping Limited (ii) (v)	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Storage Holdings Limited	Holding company	United Kingdom	H	Ordinary shares		100
Centrica Storage Limited	Gas storage	United Kingdom	H	Ordinary shares		100
Centrica Trinidad and Tobago Limited	Business services	Trinidad and Tobago	Q	Ordinary shares		100
Centrica Trust (No.1) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Centrica Upstream Investment Limited	Dormant	United Kingdom	L	Ordinary shares		100
CFCEPS LLP	Group financing	United Kingdom	C	Membership interest		100
CFCPP LLP	Group financing	United Kingdom	C	Membership interest		100
CFCPS LLP	Group financing	United Kingdom	C	Membership interest		100
CH4 Energy Limited	Dormant	United Kingdom	C	Ordinary shares		100
CH4 Old Limited	Dormant	United Kingdom	C	Ordinary shares		100



# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Cheltenham Renovators Limited	Dormant	United Kingdom	C	Ordinary shares		100
CID1 Limited	Dormant	United Kingdom	C	Ordinary shares		100
CIU1 Limited	Dormant	United Kingdom	C	Ordinary shares		100
CQ Energy Canada Partnership (	Gas and/or oil exploration and production	Canada	X	Membership interest		60
CQ Energy Canada Resources Partnership	Gas and/or oil exploration and production	Canada	Y	Membership interest		60
CSA Offshore Services (Proprietary) Limited	Business services	South Africa	R	Ordinary shares		100
Dalkia Chp Limited (v)	Energy supply and power generation	Republic of Ireland	AA	Ordinary shares		20
DEML Investments Limited	Holding company	Canada	S	Ordinary shares		100
DER Development No. 10 Ltd.	Holding company	Canada	A	Ordinary shares		100
Direct Energy (B.C.) Limited	Energy supply and/or services	Canada	B	Ordinary shares		100
Direct Energy Business Services Limited	Commercial services	Canada	S	Ordinary and special shares		100
Direct Energy Holdings (Alberta) Inc.	Home and/or commercial services	Canada	A	Ordinary shares		100

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Direct Energy HVAC Services Ltd.	Home and/or commercial services	Canada	A	Ordinary shares		100
Direct Energy Marketing Limited	Energy supply and/or services	Canada	S	Ordinary shares		100
Direct Energy Partnership	Energy supply	Canada	A	Membership interest		100
Direct Energy Resources Partnership	Holding company	Canada	A	Membership interest		100
Drips Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno Developments Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno Holdings Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno Kil (Franchising) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno-Plumbing Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno-Rod Limited	Operation of a franchise network	United Kingdom	C	Ordinary shares		100
Dyno-Security Services Limited	Dormant	United Kingdom	C	Ordinary shares		100
Dyno-Services Limited	Dormant	United Kingdom	C	Ordinary shares		100
ECL Contracts Limited	Dormant	United Kingdom	C	Ordinary shares		100
ECL Investments Limited	Dormant	United Kingdom	C	Ordinary shares		100
Econergy Limited	In liquidation	United Kingdom	C	Ordinary shares		100
Electricity And Gas Recoveries Limited	Dormant	United Kingdom	C	Ordinary shares		100

## Centrica Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

#### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Electricity Direct (UK) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Elswick Energy Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
EN1 Property Holdings Limited	Dormant	United Kingdom	C	Ordinary shares		100
Energy And Building Management Solutions Limited	Dormant	United Kingdom	C	Ordinary shares		100
Energy For Tomorrow	Not-for-profit energy services	United Kingdom	C	Limited by guarantee		100
ES Old Limited	In liquidation	United Kingdom	C	Ordinary shares		100
Finance Scotland CEPS Limited Partnership	Group financing	United Kingdom	L	Membership interest		100
Finance Scotland CPP Limited Partnership	Group financing	United Kingdom	L	Membership interest		100
Finance Scotland CPS Limited Partnership	Group financing	United Kingdom	L	Membership interest		100
GB Gas Holdings Limited	Holding company	United Kingdom	C	Ordinary shares	100	
GF One Limited	In liquidation	United Kingdom	T	Ordinary shares		100
GF Two Limited	In liquidation	United Kingdom	T	Ordinary shares		100
Glens of Foudland Wind Farm Limited	Operation of an onshore windfarm	United Kingdom	C	Ordinary shares		50
GLID Limited	Holding company	United Kingdom	C	Ordinary shares		100
GLID Wind Farms TopCo Limited	Holding company	United Kingdom	C	Ordinary shares		50

## Centrica Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

#### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Goldbrand Development Limited	Dormant	United Kingdom	C	Ordinary shares		100
Hillserve Limited	Dormant	United Kingdom	C	Ordinary shares		100
Home Assistance UK Limited	Intermediary services, including claims handling and administration services	United Kingdom	C	Ordinary shares		100
Humberland Limited	Dormant	United Kingdom	C	Ordinary shares		100
Hydrocarbon Resources Limited	Gas and/or oil exploration and production	United Kingdom	C	Ordinary shares		100
Ignite Social Enterprise LP	Social enterprise investment fund	United Kingdom	C	Membership interest		100
Inner Dowsing Wind Farm Limited	Operation of an offshore windfarm	United Kingdom	L	Ordinary shares		50
Jannco 2 Limited	In liquidation	Guernsey	U	Ordinary shares		100
JK Environmental Services (UK) Limited	Dormant	United Kingdom	C	Ordinary shares		100
Killingholme Pensions Limited	Dormant	United Kingdom	C	Ordinary shares		100
Lake Acquisitions Limited	Holding company	United Kingdom	AB	Ordinary shares		20
Lincs Wind Farm Limited	Operation of an offshore windfarm	United Kingdom	L	Ordinary shares		50

# Centrica Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Lynn Wind Farm Limited	Operation of an offshore windfarm	United Kingdom	C	Ordinary shares		50
Newco Five Limited (iii)	Dormant	United Kingdom	C	Ordinary shares		100
Newco One Limited (iii)	Dormant	United Kingdom	C	Ordinary shares		100
Newnova Ltd.	Dormant	United Kingdom	C	Ordinary shares		100
Newnova Old Limited	Dormant	United Kingdom	C	Ordinary shares		100
North Sea Infrastructure Partners Limited	Dormant	United Kingdom	L	Ordinary shares		100
NSGP (Ensign) Limited	Gas supply	Jersey	V	Ordinary shares		100
NSIP (ETS) Limited	Gas supply	United Kingdom	C	Ordinary shares		100
NSIP (Holdings) Limited	Dormant	United Kingdom	L	Ordinary shares		100
P.H. Jones Facilities Management Ltd.	Servicing and maintenance of heating systems	United Kingdom	C	Ordinary shares		100
P.H. Jones Group Limited	Holding company	United Kingdom	C	Ordinary shares		100
Panoramic Power Ltd. (ii)	Energy management products and services	Israel	W	Ordinary and preference shares		100
Repair and Care Limited	Dormant	United Kingdom	C	Ordinary shares		100
Rhiannon Wind Farm Limited	Dormant	United Kingdom	C	Ordinary shares		50
Scottish Gas Limited	Dormant	United Kingdom	L	Ordinary shares		100

## Centrica Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

#### 13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Semplice Energy Limited	Dormant	United Kingdom	C	Ordinary shares		100
SF (UK) Limited	In liquidation	United Kingdom	C	Ordinary shares		100
Solar Technologies Group Limited	Dormant	United Kingdom	C	Ordinary shares		100
Solar Technologies Limited	Dormant	United Kingdom	C	Ordinary shares		100
Soren Limited	Dormant	United Kingdom	C	Ordinary shares		100

(i) For list of registered addresses, refer to below table

(ii) Acquired or established in 2015

(iii) Centrica North Sea Limited, Newco Five Limited and Newco One Limited were renamed during the year (previously Centrica (Horne & Wren) Limited, British Gas Business Services Limited and British Gas Service Limited respectively). 509760 Alberta Ltd. was renamed during the year (previously Philips PC Resources Ltd.)

(iv) Centrica Norway Limited is operating in Norway as Centrica Energi NUF

(v) In February 2016 Centrica Shipping Limited and Centrica RPS Limited were renamed to Pioneer Shipping Limited and Centrica Distributed Generation Limited respectively.

(vi) In April 2016 Alertme.com Ltd was renamed to Centrica Connected Home Limited.

All companies principally operate within their country of incorporation.

## Centrica Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)

#### 13 Related undertakings (continued)

##### List of registered addresses

Registered address key	Address
A	2323 32nd Avenue N.E., Calgary, AB T2E 6Z3, Canada
B	1700-1185 West Georgia Street, Vancouver BC V6E 4E6, Canada
C	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom
D	Purdy's Wharf Tower One, 1959 Upper Water Street, Halifax NS B3J 3N2, Canada
E	Thomas-Wimmer-Ring 1-3, 80539, Munich, Germany
F	1521 Concord Pike #303, Wilmington, DE 19803, United States
G	1 Warrington Place, Dublin, 2, Republic of Ireland
H	20 Kingston Road, Staines-upon-Thames, TW18 4LG, United Kingdom
I	St George's Court, Upper Church Street, Douglas, IM1 1EE, Isle of Man
J	33-37 Athol Street, Douglas, IM1 1LB, Isle of Man
K	Polarisavenue 39, 2132 JH Hoofddorp, Netherlands
L	IQ Building, 15 Justice Mill Lane, Aberdeen, AB11 6EQ, United Kingdom
M	47 Esplanade, St Helier, JE1 0BD, Jersey
N	L-107, Lajpat Nagar-2, New Delhi, 110024, India
O	26 New Street, St Helier, JE2 3RA, Jersey
P	Veritasveien 25, 4007 Stavanger, Norway
Q	Eleven Albion, Corner Albion and Dere Streets, Port of Spain, Trinidad and Tobago
R	No 12A Sooty Street, Ambefield Glen Cnr, Reddersburg & Virginia Street, Rooihuiskraal, North Centurion Gauteng, 0175, South Africa
S	333 Bay Street, Toronto ON M5H 2R2, Canada
T	1 More London Place, London, SE1 2AF, United Kingdom
U	P.O. Box 25, Regency Court, Gategny Esplanade, St Peter Port, GY1 3AP, Guernsey
V	13 Castle Street, St Helier, JE4 5UT, Jersey
W	20 Atir Yeda St., Kfar Saba 44643, Israel
X	666 Burrand Street, Park Place, Vancouver, BC V6C 2X8, Canada
Y	525 8th Ave S.W., Calgary, AB T2P 1G1.
Z	855 2nd Street S.W., Calgary, AB T2P NJ8, Canada
AA	Innovation House, DCU Innovation Campus, 11 Old Finglas Road, Glasnevin, Dublin, 11, Republic of Ireland
AB	40 Grosvenor Place, London, SW1X 7EN, United Kingdom

## **Centrica Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015 (continued)**

#### **14 Related party transactions**

##### **Directors' remuneration**

The emoluments of both 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.

#### **15 Parent and ultimate parent undertaking**

The immediate parent undertaking is Centrica plc, a company registered in England and Wales.

The ultimate parent is Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated statements. Copies of the Centrica Plc consolidated financial statements may be obtained from [www.centrica.com](http://www.centrica.com).

#### **16 Non adjusting events after the financial period**

In June 2016, a UK referendum resulted in a vote for the country to leave the European Union and the resultant uncertainty adds to the challenges for UK businesses in all sectors. This uncertainty may lead to volatility in markets with potential fluctuations in foreign exchange rates and interest rates. These movements could impact, amongst other things, the translational value of our overseas subsidiaries (e.g. North America), and other assets, and the carrying value and cost of servicing our debt. Sensitivity analysis associated with the Group's exposure to currency, interest rate and commodity price risk was included in note S3 of the Group's Annual Report and Accounts for 2015. Overall, we judge the direct impacts on the Group and the Company specifically to be minimal in the short term. There have been no other non adjusting events.

#### **17 Transition to FRS 101**

As stated in the 'basis of preparation' note, these are the Company's first Financial Statements prepared in accordance with FRS 101. The accounting policies set out in the policies note have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the 'Company's date of transition').

In preparing its FRS101 financial statements the Company has not been required to adjust any amounts reported previously in its financial statements prepared in accordance with its old basis of accounting (UK GAAP).