

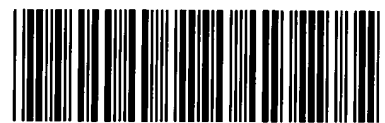
Registration number: 05625463

Centrica Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Centrica Holdings Limited

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Centrica Holdings Limited

Strategic Report for the Year Ended 31 December 2016

The Directors present their Strategic Report of Centrica Holdings Limited (the 'Company') for the year ended 31 December 2016.

Review of the business

The Company's Financial Statements have been prepared in accordance with the Financial Reporting Standard 101: Reduced Disclosure Framework ('FRS 101').

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 as at 31 December 2016 was £2,221,362,000 (2015: £2,392,777,000). The profit for the financial year ended 31 December 2016 was £1,017,585,000 (2015: £623,098,000).

In December 2016 the Company entered into a series of transactions to implement an asset backed contribution structure with the Group's three main pension schemes.

On 19 September 2016 a limited liability partnership, CF 2016 LLP, was incorporated with the Company as a member and on 15 November 2016 a Scottish limited partnership, Finance Scotland 2016 Limited Partnership, was incorporated with the Company acting as the initial limited partner.

On 7 December 2016 the Company made investment contributions of £1,066,800,000 to CF 2016 LLP and £219,400,000 to Finance Scotland 2016 Limited Partnership. These investments were funded by additional borrowings from G B Gas Holdings Limited, its wholly owned subsidiary.

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.

The principal risks and uncertainties for the Group, which include those of the Company, are discussed on pages 56 to 64 of the Group's 2016 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.

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.

Centrica Holdings Limited

Strategic Report for the Year Ended 31 December 2016 (continued)

Future developments

The Group is currently implementing the results of the 2015 strategic review. This implementation includes a review of how the Group's businesses are structured and may result in future changes to underlying subsidiary business operations including those of the Company.

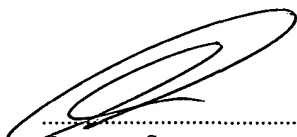
Exit from the European Union

The UK referendum vote in June 2016 to leave the European Union has added to the uncertainties faced by the business. However, we believe that the direct impact on the business of these events is limited in the short-term. Many details of the implementation process remain unclear. Extricating from the European Union treaties is a task of immense complexity but with that being said, the business is well-positioned to manage any market impacts. There are also potential tax consequences of the withdrawal agreement which we will continue to reassess (at each reporting date) to ensure our tax provisions reflect the most likely outcome following the withdrawal.

Post Balance Sheet Events

There were no post balance sheet events.

Approved by the Board on 5 May 2017 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 2016

The Directors present their report and the Financial Statements for the year ended 31 December 2016.

Directors of the Company

The Directors who held office during the year and up to the date of signing 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 2016 is £1,017,585,000 (2015: profit £623,098,000). On 9 December 2016 the company paid an interim dividend of £1,189,000,000 (2015: £729,000,000). The directors do not recommend the payment of a final dividend (2015: £nil).

Future developments

Future developments are discussed in the Strategic Report on page 2.

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 approved.

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 any Director is proved to have acted fraudulently.

Centrica Holdings Limited

Directors' Report for the Year Ended 31 December 2016 (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

Following a rigorous selection process by the Audit Committee of Centrica plc, Deloitte LLP was selected as the Group's external auditor for the financial year commencing from 1 January 2017 (subject to ratification of their appointment at the Centrica plc 2017 AGM). Consequently, PricewaterhouseCoopers LLP will remain auditors of Centrica Holdings Limited until the formal resignation process has been completed later in 2017, after which Deloitte LLP will be appointed as auditors of Centrica Holdings Limited.

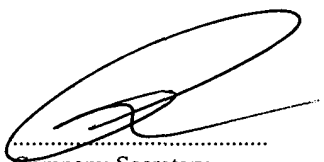
Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office, until the formal resignation process has been completed.

Centrica Holdings Limited

Directors' Report for the Year Ended 31 December 2016 (continued)

Statement of Directors' Responsibilities (continued)

Approved by the Board on 5 May 2017 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 2016 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 2016;
- 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 United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law (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.

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 Statement of Directors' Responsibilities, 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

5 May 2017

Centrica Holdings Limited

Income Statement for the Year Ended 31 December 2016

	Notes	2016 £ 000	2015 £ 000
Dividends received	5	1,189,000	729,000
Finance income	5	89,359	20,090
Finance costs	5	<u>(303,628)</u>	<u>(152,874)</u>
Profit before income tax		974,731	596,216
Income tax credit	7	<u>42,854</u>	<u>26,882</u>
Profit for the financial year		<u><u>1,017,585</u></u>	<u><u>623,098</u></u>

The above results were derived from continuing operations.

Centrica Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	2016 £ 000	2015 £ 000
Profit for the financial year	<u>1,017,585</u>	<u>623,098</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u><u>1,017,585</u></u>	<u><u>623,098</u></u>

The notes on pages 13 to 41 form an integral part of these financial statements.

Centrica Holdings Limited

Statement of Financial Position as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Non-current assets			
Investments	8	11,286,200	10,000,000
		<u>11,286,200</u>	<u>10,000,000</u>
Current assets			
Trade and other receivables	9	2,669,358	2,546,823
		<u>2,669,358</u>	<u>2,546,823</u>
Total assets		<u>13,955,558</u>	<u>12,546,823</u>
Current liabilities			
Trade and other payables	10	(10,214,196)	(10,154,046)
		<u>(10,214,196)</u>	<u>(10,154,046)</u>
Non-current liabilities			
Trade and other payables	10	(1,520,000)	-
Total liabilities		<u>(11,734,196)</u>	<u>(10,154,046)</u>
Net assets		<u>2,221,362</u>	<u>2,392,777</u>
Equity			
Called up share capital	11	-	-
Retained earnings		<u>2,221,362</u>	<u>2,392,777</u>
Total equity		<u>2,221,362</u>	<u>2,392,777</u>

The financial statements on pages 9 to 41 were approved and authorised for issue by the Board of Directors on 5 May 2017 and signed on its behalf by:



J Bell

Director

Company number 05625463

Centrica Holdings Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2016	-	2,392,777	2,392,777
Profit for the year and other comprehensive income	-	1,017,585	1,017,585
Dividends	-	(1,189,000)	(1,189,000)
At 31 December 2016	-	2,221,362	2,221,362
	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

The notes on pages 13 to 41 form an integral part of these financial statements.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

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

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

Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

These Financial Statements were authorised for issue by the Board on 5 May 2017.

2 Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Accounting policies (continued)

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

- a cash flow statement;
- disclosures in respect of related parties transactions with wholly-owned subsidiaries; and
- the effects of new but not yet effective IFRSs.

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 2016 have had a material effect on the financial statements.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

2 Accounting policies (continued)

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.

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.

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 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 2016 (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 2016 (continued)

2 Accounting policies (continued)

Share capital

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

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 judgement through its impairment review process.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (2015: Nil).

5 Net finance income/cost

Finance income

	2016 £ 000	2015 £ 000
Interest income from amounts owed by group undertakings	89,359	20,090
Dividend income from group undertakings	1,189,000	729,000
Total finance income	1,278,359	749,090

Finance interest

	2016 £ 000	2015 £ 000
Interest on amounts owed to group undertakings	(303,628)	(152,874)
Total finance cost	(303,628)	(152,874)
Net finance income	974,731	596,216

6 Auditors' remuneration

Auditors' remuneration totalling £12,180 (2015: £23,924) relates to fees for the audit of the statutory financial statements of the Company and includes fees in relation to the audit of the IFRS Group consolidated schedules, for the purpose of the Centrica plc Group audit.

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

	2016 £ 000	2015 £ 000
Current taxation		
UK corporation tax at 20.00% (2015: 20.25%)	42,854	26,882

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 2016 was 20% (2015: 20.25%).

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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:

	2016 £ 000	2015 £ 000
Profit before tax at 20.00% (2015: 20.25%)	974,731	596,216
Tax expense at standard UK rate	194,946	120,713
<i>Effects of:</i>		
Increase arising from group relief tax reconciliation	2	5
Decrease from transfer pricing adjustments	(2)	(5)
Increase in current tax from unrecognised temporary difference from a prior period	-	2
Other tax effects for reconciliation between accounting profit and tax income	(237,800)	(147,597)
Total income tax credit	(42,854)	(26,882)

Factors that may affect future tax changes

The main rate of corporation tax for the year to 31 December 2016 was 20%. The corporation tax rate will reduce to 19% with effect from 1 April 2017 and to 17% with effect from 1 April 2020 following the enactments of Finance (No 2) Act 2015 and Finance Act 2016, respectively. These enacted rates have been reflected in these financial statements when providing for deferred tax.

8 Investments

	Shares in group undertakings (subsidiaries) £ 000
<i>a) Equity investments</i>	
Cost and Net Book Value	
At 1 January 2016	10,000,000
Additions	1,286,200
At 31 December 2016	11,286,200

On 19 September 2016 a limited liability partnership, CF 2016 LLP, was incorporated with the Company as a member and then on 15 November 2016 a Scottish limited partnership, Finance Scotland 2016 Limited Partnership, was incorporated with the Company acting as the initial limited partner. On 7 December 2016 the Company made investment contributions of £1,066,800,000 to CF 2016 LLP and £219,400,000 to Finance Scotland 2016 Limited Partnership.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

9 Trade and other receivables

	2016 £ 000	2015 £ 000
Amounts owed by group undertakings	2,669,358	2,546,823
	<u>2,669,358</u>	<u>2,546,823</u>

Amounts owed by GB Gas Holdings Limited of £2,078,705,000 (2015: £2,005,840,000) 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 repayable monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 3.04% and 4.04% (2015: 2.36% and 2.88%).

Amounts owed by Centrica SHB Limited of £472,799,000 (2015: £456,292,000) 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 repayable monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 3.04% and 4.04% (2015: 2.36% and 2.88%).

Amounts owed by Centrica plc of £75,000,000 (2015: £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 3.04% and 4.04% (2015: 2.36% and 2.88%).

The remaining balance relates to Group Relief of £42,854,000 (2015: £9,691,000).

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

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

10 Trade and other payables

	2016		2015	
	Current £ 000	Non-current £ 000	Current £ 000	Non-current £ 000
Amounts owed to group undertakings	<u>10,214,196</u>	<u>1,520,000</u>	<u>10,154,046</u>	<u>-</u>

Amounts owed to British Gas Trading Limited of £798,852,000 (2015: £774,171,000) accrues interest at a fixed interest charge of 3.50% throughout the year (2015: 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 £1,569,229,000 (2015: £1,517,415,000) 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 3.04% and 4.04% (2015: 2.36% and 2.88%).

Amounts owed to GB Gas Holdings Limited of £472,789,000 (2015: £456,292,000) 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 repayable monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 3.04% and 4.04% (2015: 2.36% and 2.88%).

Amounts owed to Hydrocarbon Resources Limited of £1,969,881,000 (2015: £1,970,883,000) accrues interest at 3 month LIBOR plus 20 basis points. Interest accrues on a monthly basis and is repaid on the first day of each quarter.

Amounts owed to Centrica plc includes £5,403,445,000 (2015: £5,435,285,000) 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 repayable monthly in arrears on the first day of each month. The range of the quarterly rate charged was between 3.04% and 4.04% (2015: 2.36% and 2.88%).

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

Amounts owed to GB Gas Holdings Limited of £1,520,000,000 (2015: £nil) accrue interest of £76,000,000 payable on 8 January each year between 2017 and 2030. The loan is repayable in full on 8 January 2030. The Company is entitled to prepay in whole or part prior to the repayment date.

11 Called up share capital

Allotted, called up and fully paid shares

	2016 No.	2016 £	2015 No.	2015 £
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

12 Dividends paid and proposed

	2016 £ 000	2015 £ 000
<i>Declared and paid during the year</i>		
Interim dividend of £594,500,000 (2015: £364,500,000) per ordinary share	1,189,000	729,000
	<u>1,189,000</u>	<u>729,000</u>

No final dividends were declared (2015: £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	B	Ordinary shares		100
4Energy Limited (ix)	In administration	United Kingdom	AM	Ordinary shares		22.2
509760 Alberta Ltd.	Gas and/or oil exploration and production	Canada	AG	Ordinary shares		43
8401268 Canada Inc.	Gas and/or oil exploration and products and/or trading	Canada	C	Ordinary shares		100
Accord Energy (Trading) Limited	Dormant	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
Accord Energy Limited	Dormant	United Kingdom	A	Ordinary shares		100
Alertme.com GmbH	Non-trading	Germany	E	Ordinary shares		100
Alertme.com Inc.	Energy management products and services	United States	F	Ordinary shares		100
Atform Limited	Dormant	United Kingdom	A	Ordinary shares		100
BGP GS Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
BMS Setpoint Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
BMS Solutions Limited (iii)	Dormant	United Kingdom	A	Ordinary shares		100
Bord Gáis Energy Limited	Energy supply and power generation	Republic of Ireland	G	Ordinary shares		100
Bowland Resources (No.2) Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
Bowland Resources Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
Brae Canada Ltd.	Gas and/or oil exploration and production	Canada	B	Ordinary and preference shares		100
British Gas Energy Procurement Limited	Energy supply	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 Energy Services Limited (iii)	Energy management products and services	United Kingdom	A	Ordinary shares		100
British Gas Finance Limited	Vehicle leasing	United Kingdom	A	Ordinary shares		100
British Gas Housing Services Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
British Gas Insurance Limited	Insurance provision	United Kingdom	A	Ordinary shares		100
British Gas Limited	Dormant	United Kingdom	A	Ordinary shares		100
British Gas New Heating Limited	Electrical and gas installations	United Kingdom	A	Ordinary shares		100
British Gas Services (Commercial) Limited	Servicing and installation of heating systems	United Kingdom	A	Ordinary shares		100
British Gas Services Limited	Home services	United Kingdom	A	Ordinary shares		100
British Gas Social Housing Limited	Servicing and installation of heating systems	United Kingdom	A	Ordinary shares		100
British Gas Solar Limited	Dormant	United Kingdom	A	Ordinary shares		100
British Gas Trading Limited	Energy supply	United Kingdom	A	Ordinary shares		100
Business Gas Limited	Dormant	United Kingdom	A	Ordinary shares		100
Caythorpe Gas Storage Limited	Gas storage	United Kingdom	H	Ordinary shares		100
Celtic Array Limited	Development of an offshore windfarm	United Kingdom	A	Ordinary shares		50

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (BOW) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica (DSW) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica (IOM) Limited	Dormant	Isle of Man	I	Ordinary shares		100
Centrica (Lincs) Wind Farm Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica 25 Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Centrica 27 Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Centrica Barry Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Brigg Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Combined Common Investment Fund Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Connected Home Canada Inc. (iv)	Energy management products and services	Canada	B	Ordinary shares		100
Centrica Connected Home Limited (v)	Energy management products and services	United Kingdom	A	Ordinary and preference shares		100
Centrica Delta Limited	Dormant	Isle of Man	J	Ordinary shares		100
Centrica Directors Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Distributed Generation Limited (v)	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Electric Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 Energy (Trading) Limited	Wholesale energy trading	United Kingdom	A	Ordinary shares		100
Centrica Energy Limited	Wholesale energy trading	United Kingdom	A	Ordinary shares		100
Centrica Energy Marketing Limited	Wholesale energy trading	United Kingdom	A	Ordinary shares		100
Centrica Energy Operations Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Energy Renewable Investments Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Energy Tolling BV	Non-trading	Netherlands	K	Ordinary shares		100
Centrica Engineers Pension Trustees Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica F3 Developments Limited	In liquidation	United Kingdom	L	Ordinary shares		100
Centrica Finance (Canada) Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Finance (Scotland) Limited	Holding company	United Kingdom	L	Ordinary shares		100
Centrica Finance Investments Limited	Non-trading	United Kingdom	A	Ordinary shares		100
Centrica Finance Norway Limited	Group financing	Jersey	M	Ordinary shares		100
Centrica Gamma Holdings Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Ignite GP Limited	Investment company	United Kingdom	A	Ordinary shares		100
Centrica Ignite LP Limited	Investment company	United Kingdom	A	Ordinary shares		100
Centrica India Offshore Private Limited	Business services	India	N	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 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 Jersey Limited	Dormant	Jersey	O	Ordinary shares		100
Centrica KL Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica KPS Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Lake Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Langage Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Leasing (KL) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Leasing (PB) Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Centrica LNG Company Limited	LNG Trading	United Kingdom	A	Ordinary shares		100
Centrica LNG UK Limited	LNG Trading	United Kingdom	A	Ordinary shares		100
Centrica Nederland BV	Holding company	Netherlands	K	Ordinary shares		100
Centrica No. 12 Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Nominees No.1 Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica North Sea Gas Exploration Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 North Sea Gas Limited	Gas and/or oil exploration and production	United Kingdom	L	Ordinary shares		100
Centrica North Sea Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
Centrica North Sea Oil Limited	Gas and/or oil exploration and production	United Kingdom	L	Ordinary shares		100
Centrica Norway Limited (vi)	Gas and/or oil exploration and production	United Kingdom	A	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 Overseas Holdings Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica PB Limited	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Pension Plan Trustees Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Pension Trustees Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Production (DMF) Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Centrica Production (GMA) Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 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 (vii)	In liquidation	United Kingdom	L	Ordinary shares		100
Centrica Renewable Energy Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Resources (Armada) Limited	Gas and/or oil exploration and production	United Kingdom	A	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	A	Ordinary shares		100
Centrica Resources Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
Centrica Resources Petroleum UK Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Retail Holdings Netherlands BV	Holding company	Netherlands	K	Ordinary shares		100
Centrica Secretaries Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica SHB Limited	Power generation	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 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	A	Ordinary shares		100
Centrica Upstream Investment Limited	Dormant	United Kingdom	L	Ordinary shares		100
CF 2016 LLP	Group financing	United Kingdom	A	Membership interest	100	
CFCEPS LLP	Group financing	United Kingdom	A	Membership interest		100
CFCPP LLP	Group financing	United Kingdom	A	Membership interest		100
CFCPS LLP	Group financing	United Kingdom	A	Membership interest		100
CH4 Energy Limited	Dormant	United Kingdom	A	Ordinary shares		100
CH4 Old Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Cheltenham Renovators Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
CID1 Limited	Dormant	United Kingdom	A	Ordinary shares		100
CIU1 Limited	Dormant	United Kingdom	A	Ordinary shares		100
Combined Power (South) Limited (iv)	Power generation	United Kingdom	A	Ordinary shares		100
CQ Energy Canada Partnership	Holding entity	Canada	AE	Membership interest		60
CQ Energy Canada Resources Partnership	Gas and/or oil exploration and production	Canada	AF	Membership interest		60

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
CSA Offshore Services (Proprietary) Limited	Business services	South Africa	R	Ordinary shares		100
DEML Investments Limited	Holding company	Canada	S	Ordinary shares		100
DER Development No. 10 Ltd.	Holding company	Canada	B	Ordinary shares		100
Direct Energy (B.C.) Limited	Energy supply and/or services	Canada	C	Ordinary shares		100
Direct Energy Holdings (Alberta) Inc.	Home and/or commercial services	Canada	B	Ordinary shares		100
Direct Energy HVAC Services Ltd.	Home and/or commercial services	Canada	B	Ordinary shares		100
Direct Energy Marketing Limited	Energy supply and/or services	Canada	S	Ordinary shares		100
Direct Energy Partnership	Energy supply	Canada	B	Membership interest		100
Direct Energy Resources Partnership	Holding entity	Canada	B	Membership interest		100
Drips Limited	Dormant	United Kingdom	A	Ordinary shares		100
Dyno Developments Limited	Dormant	United Kingdom	A	Ordinary shares		100
Dyno Holdings Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Dyno Kil (Franchising) Limited	In liquidation	United Kingdom	A	Ordinary shares		100
Dyno-Plumbing Limited	Dormant	United Kingdom	A	Ordinary shares		100
Dyno-Rod Limited	Operation of a franchise network	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
Dyno-Security Services Limited	Dormant	United Kingdom	A	Ordinary shares		100
Dyno-Services Limited	Dormant	United Kingdom	A	Ordinary shares		100
ECL Contracts Limited	Dormant	United Kingdom	A	Ordinary shares		100
ECL Investments Limited	Dormant	United Kingdom	A	Ordinary shares		100
Econergy Limited (vii)	In liquidation	United Kingdom	A	Ordinary shares		100
Electricity And Gas Recoveries Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Electricity Direct (UK) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Elswick Energy Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
ENI Property Holdings Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
ENER-G Cogen International Limited (iv)	Holding company	United Kingdom	A	Ordinary shares		100
ENER-G Cogen LLC (iv)	Energy management products and services	United States	D	Membership interest		100
ENER-G Combined Power Limited (iv)	Energy management products and services	United Kingdom	A	Ordinary shares		100
ENER-G Energia Technolgia Zrt. (iv)	Energy management products and services	Hungary	T	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
ENER-G Group Inc. (iv)	Energy management products and services	United States	D	Ordinary shares		100
ENER-G Italia Srl (iv)	Energy management products and services	Italy	U	Membership interest		100
ENER-G Nagykanizsa Kft (iv)	Energy management products and services	Hungary	T	Membership interest		100
ENER-G Nedalo BV (iv)	Energy management products and services	Netherlands	V	Ordinary shares		100
ENER-G Power2 Limited (iv)	Holding company	United Kingdom	A	Ordinary shares		100
ENER-G Rudox Holdings LLC (iv)	Holding company	United States	D	Membership interest		100
ENER-G Rudox Inc. (iv)	Energy management products and services	United States	W	Ordinary shares		100
ENER-G Tehnologii Energetice Srl (iv)	Energy management products and services	Romania	X	Ordinary shares		100
Energy And Building Management Solutions Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Energy For Tomorrow	Not-for-profit energy services	United Kingdom	A	Limited by guarantee		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
Eurowind Polska VI Sp z o.o. (iv)	Operation of an onshore windfarm	Poland	AL	Ordinary shares		50
Finance Scotland 2016 Limited Partnership	Group financing	United Kingdom	L	Membership interest	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
Flowgem Limited (iv)	Home and/or commercial services	United Kingdom	A	Ordinary shares		100
Generation Green Solar Limited (iv)	Dormant community benefit society	United Kingdom	A	Membership interest		100
G B Gas Holdings Limited	Holdings company	United Kingdom	A	Ordinary shares	100	
GF One Limited	In liquidation	United Kingdom	Y	Ordinary shares		100
GF Two Limited	In liquidation	United Kingdom	Y	Ordinary shares		100
GLID Limited	Holding company	United Kingdom	A	Ordinary shares		100
Goldbrand Development Limited	Dormant	United Kingdom	A	Ordinary shares		100
Greener Ideas Limited (iv)	Development of flexible power generation sites	Republic of Ireland	AH	Ordinary shares		50
Hillserve Limited	Dormant	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
Home Assistance UK Limited	Intermediary services, including claims handling and administration services	United Kingdom	A	Ordinary shares		100
Humberland Limited	Dormant	United Kingdom	A	Ordinary shares		100
Hydrocarbon Resources Limited	Gas and/or oil exploration and production	United Kingdom	A	Ordinary shares		100
Ignite Social Enterprise LP	Social enterprise investment fund	United Kingdom	A	Membership interest		100
JK Environmental Services (UK) Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Killingholme Pensions Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Lake Acquisitions Limited	Holding company	United Kingdom	AJ	Ordinary shares		20
Lincs Wind Farm Limited (x)	Operation of an offshore windfarm	United Kingdom	L	Ordinary shares		50
Neas d.o.o. Beograd (iv)	Dormant	Serbia	Z	Ordinary shares		100
Neas Energy A/S (iv)	Energy services and wholesale energy trading	Denmark	AA	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
Neas Energy GmbH (iv)	Energy services and wholesale energy trading	Germany	AB	Ordinary shares		100
Neas Energy Limited (iv)	Energy services and wholesale energy trading	United Kingdom	A	Ordinary shares		100
Neas Energy Singapore Pte. Ltd (iv)	Energy services and wholesale energy trading	Singapore	AC	Ordinary shares		100
Neas Fondsmæglerselskab A/S (iv)	Non-trading	Denmark	AA	Ordinary shares		100
Neas Invest A/S (iv)	Dormant	Denmark	AA	Ordinary shares		100
Newco Five Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Newco One Limited	Dormant	United Kingdom	A	Ordinary shares		100
Newnova Limited (iii)	Dormant	United Kingdom	A	Ordinary shares		100
Newnova Old Limited (iii)	Dormant	United Kingdom	A	Ordinary shares		100
North Sea Infrastructure Partners Limited	Dormant	United Kingdom	L	Ordinary shares		100
NSGP (Ensign) Limited	Gas and/or oil exploration and production	Jersey	AD	Ordinary shares		100
NSIP (ETS) Limited	Gas supply	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (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 (%)
NSIP (Holdings) Limited	Dormant	United Kingdom	L	Ordinary shares		100
P.H. Jones Facilities Management Ltd.	Servicing and maintenance of heating systems	United Kingdom	A	Ordinary shares		100
P.H. Jones Group Limited	Holding company	United Kingdom	A	Ordinary shares		100
Pioneer Shipping Limited (v)	Sea freight water transport	United Kingdom	AJ	Ordinary shares		100
Repair and Care Limited	Dormant	United Kingdom	A	Ordinary shares		100
Rhiannon Wind Farm Limited	Dormant	United Kingdom	A	Ordinary shares		50
Scottish Gas Limited (vii)	In liquidation	United Kingdom	M	Ordinary shares		100
Semplice Energy Limited (ii)	In liquidation	United Kingdom	A	Ordinary shares		100
Solar Technologies Group Limited	Dormant	United Kingdom	A	Ordinary shares		100
Solar Technologies Limited	Dormant	United Kingdom	A	Ordinary shares		100
Soren Limited	Dormant	United Kingdom	A	Ordinary shares		100
UtilityNorth A/S (vii)	In liquidation	Denmark	AA	Ordinary shares		100
Veolia CHP Ireland Limited (viii)	Energy supply and power generation	Republic of Ireland	AK	Ordinary shares		20
Vindpark Keblowo Aps (iv)	Operation of an onshore windfarm	Denmark	AI	Ordinary shares		50

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

13 Related undertakings (continued)

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

(ii) Dissolved on 2 February 2017.

(iii) British Gas Energy Services Limited (renamed Building Management Solutions Integrators Limited on 18 January 2017), BMS Solutions Limited, Newnova Limited and Newnova Old Limited were disposed of on 31 January 2017.

(iv) Acquired or established in 2016.

(v) Pioneer Shipping Limited, Centrica Distributed Generation Limited and Centrica Connected Home Limited were renamed during the year (previously Centrica Shipping Limited, Centrica RPS Limited and Alertme.com Ltd).

(vi) Centrica Norway Limited is operating in Norway as Centrica Energi NUF.

(vii) Dissolved on 21 January 2017.

(viii) Veolia CHP Ireland Limited was renamed during the year (previously Dalkia Chp Limited).

(ix) Entered into administration on 7 March 2017

(x) Disposed on 17 February 2017

All companies principally operate within their country of incorporation.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

13 Related undertakings (continued)

List of registered addresses

Registered address key	Address
A	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom
B	2323 32nd Avenue N.E., Calgary, AB T2E 6Z3, Canada
C	1700-1185 West Georgia Street, Vancouver BC V6E 4E6, Canada
D	3411 Silverside Road, Rodney Building # 104, Wilmington, DE 19810, United States
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	G - 74, LGF, Kalkaji, New Delhi, South Delhi, Dehli, 110019, India
O	26 New Street, St Helier, JE2 3RA, Jersey
P	Veritasveien 25, 4007 Stavenger, 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	H-1106 Budapest, Jászberényi út 24-36, Hungary
U	Milan (MI), Via Emilo Cornalia 26, Italy
V	Wiegerbruinlaan 2A, 1422 CB Uithoorn, Netherlands
W	Corporate Creations Network Inc., 811 Church Road #105, Cherry Hill NJ 08002, United States
X	15-23 Bucuresti Nord Street, Windsor Building, Ground Floor, Office No. 1, Voluntari, Ilfov County, Romania
Y	1 More London Place, London, SE1 2AF, United Kingdom
Z	Makedonska 30 (Eurocentar) 3rd floor, 11000 Belgrade, Serbia
AA	Skelagervej 1, DK 9000 Aalborg, Denmark
AB	Schillerstr. 7, 40721 Hilden (bei Düsseldorf), Germany
AC	220 Orchard Road, #05-01 Midpoint Orchard, Singapore 238852
AD	13 Castle Street, St Helier, JE4 5UT, Jersey

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

13 Related undertakings (continued)

AE	237 4th S.W., Calgary, AB T2P 4K3, Canada
AF	525 8th Ave S.W., Calgary, AB T2P 1G1, Canada
AG	855 2nd Street S.W., Calgary, AB T2P NJ8, Canada
AH	Webworks, Eglinton Street, Cork, Republic of Ireland
AI	Mariagervej 58B, DK 9500 Hobro, Denmark
AJ	40 Grosvenor Place, London, SW1X 7EN, United Kingdom
AK	Innovation House, DCU Innovation Campus, 11 Old Finglas Road, Glasnevin, Dublin, 11, Republic of Ireland
AL	17 Karsko, Dolice, Przelewice, 73-115, Pyrzyckie, Zachodniopomorskie, Poland
AM	No1 Nottingham Science Park Jesse Boot Avenue Nottingham NG27 2RU United Kingdom

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Notes to the Financial Statements for the Year Ended 31 December 2016 (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.

16 Post Balance Sheet Events

There were no post balance sheet events.