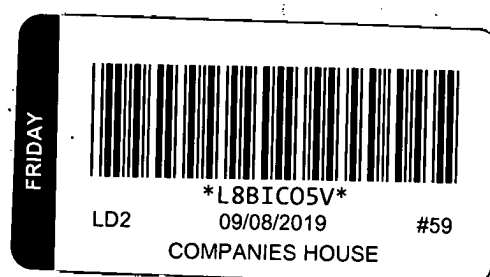


Registration number: 05955557

Home Assistance UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018



Home Assistance UK Limited

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Home Assistance UK Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their Strategic Report for Home Assistance UK Limited (the 'Company') for the year ended 31 December 2018.

Principal activities

The Company provided intermediary services, including claims handling and administration services, to third party businesses as well as other companies in the Centrica plc group (the 'Group'). The Company was authorised and regulated by the Financial Conduct Authority ('FCA') to carry out insurance intermediation activities until 10th November 2017. In 2017 the company ceased trading.

Review of the business

The results of the Company are set out on page 10. The Company made a loss for the year of £12,000 (2017 loss: £80,000). The financial position of the Company is presented on page 11. Net assets at 31 December 2018 were £1,890,000 (2017: £1,902,000).

Strategic Developments

The Company initiated a reduction of its claims handling operations in September 2016 and subsequently decided to terminate all operations performed by the Company in September 2017. All claims handling and administration services operations at the Company either ceased or were outsourced to new suppliers during 2017. The Company is no longer a going concern.

With cessation of all operations the Company is now in the process of reducing all assets and liabilities ready for dormancy and the remaining accounting and administration duties for the Company will be carried out by the Group.

The Company ceased to be regulated by the Financial Conduct Authority ('FCA') on 10th November 2017.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with those of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 41-50 of the Group's Annual Report and Accounts 2018, which does not form part of this report.

Key performance indicators (KPIs)

Given the nature of the business, the Company's Directors are of the opinion that the KPIs are necessary for an understanding of the development, performance and position of the business are retained profit, profit for the financial year and net assets. The results and dividends of the Company are shown in the Directors' Report on page 3. The Directors of the Group use a number of KPIs to monitor progress against the Group's strategy. The development, performance and position of the Group, which includes the Company, are discussed on pages 18 to 19 of the Group's Annual Report and Accounts 2018 which does not form part of this report.


Home Assistance UK Limited

Strategic Report for the Year Ended 31 December 2018 (continued)

Future developments

The Company has ceased its business operations, which reflects the impact of the Group's 2015 strategic review. It is expected that the Company will become dormant in the near future.

Approved by the Board on ~~8 August~~ 2019 and signed on its behalf by:



Kate Hudson

By order of the Board for and on behalf of Centrica Secretaries Limited
Company registered in England and Wales, No. 05955557

Registered office:

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

Home Assistance UK Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

Directors of the Company

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

D W E Alexander (resigned 1 July 2019)

O M Smedley (resigned 25 January 2018)

E A H Connell (appointed 1 January 2018)

D K Young (appointed 1 July 2019)

Results and dividends

The results of the Company are set out on page 10. The loss for the financial year ended 31 December 2018 is £12,000 (2017: loss £80,000). The Directors do not recommend the payment of a dividend for the year.

Future developments

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

Going concern

The Directors have prepared the financial statements on the basis that the Company is not going to continue as a going concern. The Company decided to terminate all operations performed by the Company in September 2017. Where this decision has an effect on the measurement principles of IFRS, this is indicated in the relevant accounting policy detailed in note 2.

Centrica plc, the ultimate parent company, 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 for issue.

Post-balance sheet events

There were no significant events after the balance sheet date.

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. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Home Assistance UK Limited

Directors' Report for the Year Ended 31 December 2018 (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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to 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.

This confirmation is given and should be read interpreted in accordance with the provisions of s418 of the Companies Act 2006

Home Assistance UK Limited

Directors' Report for the Year Ended 31 December 2018 (continued)

Auditors

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

Approved by the Board on 8 August 2019 and signed on its behalf by:



Kate Hudson

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

Company registered in England and Wales, No. 05955557

Registered office:

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

Home Assistance UK Limited

Independent Auditors' Report to the Members of Home Assistance UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Home Assistance UK Limited (the 'company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 ('FRS 101'); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Home Assistance UK Limited (the 'Company') which comprise:

- the Income Statement;
- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 15.

~~The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).~~

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Financial statements prepared other than on a going concern basis

We draw attention to note 2 of the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Home Assistance UK Limited

Independent Auditors' Report to the Members of Home Assistance UK Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Report on other legal and regulatory requirements

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 the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Home Assistance UK Limited

Independent Auditors' Report to the Members of Home Assistance UK Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Home Assistance UK Limited

**Independent Auditors' Report to the Members of Home Assistance UK Limited
(continued)**



Adam Addis, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Date: 08/08/2019

Home Assistance UK Limited**Income Statement for the Year Ended 31 December 2018**

	Note	2018 £ 000	2017 £ 000
Revenue	3	-	1,545
Cost of sales		-	(211)
Gross profit		-	1,334
Operating costs	4	(105)	(928)
Exceptional items - restructuring costs	6	93	(397)
Operating (loss)/profit		(12)	9
Finance income	7	-	4
(Loss)/profit before income taxation		(12)	13
Income tax expense	9	-	(93)
Loss for the year		(12)	(80)

All the activities of the Company are classed as discontinued as all trading operations have ceased.

Home Assistance UK Limited

Statement of Comprehensive Income for the Year Ended 31 December 2018

	2018 £ 000	2017 £ 000
Loss for the year	<u>(12)</u>	<u>(80)</u>
Total comprehensive income for the year	<u>(12)</u>	<u>(80)</u>

Home Assistance UK Limited**Statement of Financial Position as at 31 December 2018**

	Note	2018 £ 000	2017 £ 000
Non-current assets			
Current assets			
Current tax assets	9	-	3
Cash and cash equivalents		2,587	2,989
		<u>2,587</u>	<u>2,992</u>
Total assets		<u>2,587</u>	<u>2,992</u>
Current liabilities			
Trade and other payables	10	(697)	(711)
Provisions for other liabilities and charges	11	-	(379)
		<u>(697)</u>	<u>(1,090)</u>
Net assets		<u>1,890</u>	<u>1,902</u>
Equity			
Share capital	13	1	1
Share premium		499	499
Retained earnings		1,390	1,402
Total equity		<u>1,890</u>	<u>1,902</u>

The financial statements on pages 10 to 25 were approved and authorised for issue by the Board of Directors on 8 August 2019 and signed on its behalf by:



David Young

Director

Company number 05955557

The notes on pages 14 to 25 form an integral part of these financial statements.

Home Assistance UK Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2018	1	499	1,402	1,902
Loss for the year	-	-	(12)	(12)
Total comprehensive income	-	-	(12)	(12)
At 31 December 2018	1	499	1,390	1,890

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2017	1	499	1,482	1,982
Loss for the year	-	-	(80)	(80)
Total comprehensive income	-	-	(80)	(80)
At 31 December 2017	1	499	1,402	1,902

The notes on pages 14 to 25 form an integral part of these financial statements.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

Home Assistance UK Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

The registered office and principal place of business is:

Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 2.

These financial statements are presented in pounds sterling with all values rounded to the nearest thousand pounds except when otherwise indicated. Pounds sterling is the functional currency of the Company.

2 Accounting policies

Basis of preparation

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.

From 1 January 2018, the following standards and amendments are effective in the Company's financial statements. Their first time adoption does not have a material impact on the financial statements:

- IFRS 9: 'Financial Instruments'
- IFRS 15: 'Revenue from contracts with customers'

The impact of adoption of these standards and the key changes to the accounting policies are disclosed below.

IFRS 9: 'Financial Instruments'

The Company adopted IFRS 9: 'Financial Instruments' from 1 January 2018. In accordance with the transition provisions in the Standard.

Classification of financial assets

IFRS 9 requires the use of two criteria to determine the classification of financial assets: the entity's business model for the financial assets and the contractual cash flow characteristics of the financial assets. The Standard goes on to identify three categories of financial assets - amortised cost; fair value through profit or loss (FVTPL); and fair value through other comprehensive income (FVOCI). There was no impact on classification on adoption of IFRS 9.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Impairment

IFRS 9 mandates the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model, and therefore it is not necessary for a credit event to have occurred before credit losses are recognised. The new impairment model applies to the Company's financial assets and loan commitments. No changes to the impairment provisions were made on transition to IFRS 9.

IFRS 15: 'Revenue from contracts with customers'

The Company adopted IFRS 15: 'Revenue from contracts with customers' from 1 January 2018. The primary impact of application is the revision of accounting policies to reflect the five-step approach to revenue recognition required by IFRS 15. The company had no revenue falling under the scope of IFRS 15.

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

- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with Adopted IFRSs;
- the effects of new but not yet effective IFRSs;
- comparative period reconciliation for property, plant and equipment;
- comparative period reconciliation for share capital;
- disclosures in respect of related party transactions with wholly-owned subsidiaries in a group;
- disclosures in respect of the compensation of key management personnel; and
- disclosures in respect of capital management.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

As the consolidated financial statements of the Centrica plc group (the 'Group'), which are available from its registered office, 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 IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures' have not been provided apart from those which are relevant for the financial instruments which are held at fair value; and
- disclosures of the net cash flows attributable to the operating, investing and financing activities of discontinued operations.

Measurement convention

The financial statements have been prepared on the historical cost basis.

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.~~

Going concern

The financial statements have been prepared on the basis that the Company is not a going concern. There are no material adjustments as a result of ceasing to apply the going concern assumption.

Revenue recognition

Revenue primarily represents the administration and claims handling fees earned on the Company's provision of insurance intermediary services including claims fulfilment. Fees are recognised when earned and exclude any associated tax. Revenue also includes other fees and other income for the provision of unregulated claims handling and other services.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the asset or assets. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Payments under operating leases are charged to the Income Statement on a straight-line basis over the term of the relevant lease.

Pensions and other post-employment benefits

Payments to defined contribution retirement benefit schemes are recognised in the Company's Income Statement as they fall due.

Exceptional items

Exceptional items are those items which in the judgement of the Directors, need to be disclosed separately by virtue of their nature, size or incidence. To ensure the business performance reflects the underlying results of the Company, these exceptional items are disclosed separately in the Income Statement. Items which may be considered exceptional in nature include disposals of businesses, business restructures, significant onerous contract charges and asset write-downs/impairments.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Finance income

Finance 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, 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 reporting 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 reporting 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 reporting date.

Property, plant and equipment ('PP&E')

PP&E is included in the Statement of Financial Position at cost, less accumulated depreciation and any provisions for impairment. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent expenditure in respect of items of PP&E such as the replacement of major parts, major inspections or overhauls, are capitalised as part of the cost of the related asset where it is probable that future economic benefits will arise as a result of the expenditure and the cost can be reliably measured. All other subsequent expenditure, including the costs of day-to-day servicing, repairs and maintenance, is expensed as incurred.

PP&E are depreciated on a straight-line basis at rates sufficient to write off the cost, less estimated residual values, of individual assets over their estimated useful lives.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Depreciation

The depreciation periods for the principal categories of assets are as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and office equipment	Straight line over 5 years
Computer Equipment	Straight line over 3 years

The carrying values of PP&E are tested annually for impairment and are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Residual values and useful lives are reassessed annually and if necessary changes are accounted for prospectively.

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.

(a) 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 the original invoice amount, and are subsequently held at amortised cost using the effective interest method less an allowance for impairment losses. Changes in the Company's impairment policy as a result of the application of IFRS 9 are shown at note 2. 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.

(b) Insurance assets and liabilities

Prior to September 2017 the Company acts as an intermediary in placing the insurable risks of their clients with insurers and, as such, is not liable as principal for amounts arising from such transactions. Gross receivables and payables arising from insurance intermediary transactions are shown as assets and liabilities, and only fee income is recorded as revenue. This recognises that the Company is entitled to retain the fee income on any future trading arising from these transactions.

Thus, large changes in both receivables and payables can arise from relatively low levels of fee income. For this reason receivables and payables give no indication of future trading and profit.

(c) 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 the original invoice amount and are subsequently held at amortised cost using the effective interest method (although, in practice, the discounting is often immaterial).

As the financial statements have been prepared on a non-going concern basis, all trade and other payables are classified as current liabilities.

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

(d) 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, net of the direct costs of issuing the equity instruments.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

(f) Loans and other borrowings

All interest-bearing and interest-free loans and other borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, they are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, discount or premium.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, that can be measured reliably, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. Where discounting is used, the increase in the provision due to the passage of time is recognised in the Income Statement within interest expense.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

3 Revenue

The analysis of the Company's revenue for the year from discontinued operations is as follows:

	2018 £ 000	2017 £ 000
Administration and fee income - non regulated	-	5
Administration and fee income - regulated	-	1,321
Other fees receivable	-	219
	<u>-</u>	<u>1,545</u>

All revenue arose from activities in the United Kingdom.

4 Analysis of costs by nature

	2018 Cost of sales £ 000	2018 Other operating costs £ 000	2018 Total costs £ 000	2017 Cost of sales £ 000	2017 Other operating costs £ 000	2017 Total costs £ 000
Depreciation, amortisation, impairment and write-downs	-	-	-	-	92	92
Employee costs	-	-	-	-	930	930
Other operating costs	-	105	105	211	(94)	117
Total operating costs by nature	<u>-</u>	<u>105</u>	<u>105</u>	<u>211</u>	<u>928</u>	<u>1,139</u>

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

5 Employees' costs

The aggregate employee costs (including Directors' remuneration) were as follows:

	2018 £ 000	2017 £ 000
Wages and salaries	-	741
Social security costs	-	137
Pension and other post-employment benefit costs	-	52
	<u>-</u>	<u>930</u>

The average number of persons employed by the Company (including Directors) during the year, analysed by category was as follows:

	2018 No. of employees	2017 No. of employees
Administration and support	<u>-</u>	<u>29</u>

6 Exceptional items

The following exceptional items were recognised in arriving at operating profit for the year:

	2018 £ 000	2017 £ 000
Restructuring costs	<u>(93)</u>	<u>397</u>

The exceptional costs are related to restructuring costs following the commencement of a restructure programme. The restructure was as a result of a strategic review conducted by the Group whereby the Company initiated reduction of its operations from September 2016. The exceptional income in the year is the release of the previously raised restructuring provision

7 Finance income

	2018 £ 000	2017 £ 000
Interest income on bank and other short-term deposits	<u>-</u>	<u>4</u>

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

8 Auditors' remuneration

	2018 £000	2017 £000
Audit fees	15	15

Auditors' remuneration relates to fees for the audit of the financial statements of the Company.

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.

9 Income tax expense

Tax charged/(credited) in the Income Statement

	2018 £ 000	2017 £ 000
Current tax:		
UK corporation tax at 19% (2017: 19.25%)	-	(4)
UK corporation tax adjustment to prior periods	-	(21)
Total current tax	-	(25)
Deferred tax:		
Origination and reversal of temporary differences - UK	-	100
Adjustments in respect of prior years - UK	-	20
Effect of tax rate changes	-	(1)
Total deferred tax	-	118
Income tax expense reported in the Income Statement	-	93

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

9 Income tax expense (continued)

The charge for the year can be reconciled to the profit per the Income Statement as follows:

	2018 £ 000	2017 £ 000
(Loss)/profit before tax at 19.0% (2017: 19.25%)	(12)	13
Tax expense at standard UK rate	(2)	3
<i>Effects of:</i>		
Net expenses non-deductible for tax purposes	2	26
Increase (decrease) in current tax from adjustment for prior periods	-	(1)
Increase (decrease) from effect of tax rate changes	-	(1)
Deferred tax expense (credit) from unrecognised tax loss or credit	-	67
Total income tax (credit)/expense		93

The main rate of corporation tax for the year to 31 December 2018 was 19% (2017: 19.25%). The corporation tax rate will reduce to 17% with effect from 1 April 2020. The deferred tax assets and liabilities included in these financial statements are based on the reduced rate of 17% having regard to their reversal profiles.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

10 Trade and other payables

	2018 Current £ 000	2017 Current £ 000
Trade payables	-	28
Amounts owed to Group undertakings	697	626
Accrued expenses	-	84
Social security and other taxes	-	(27)
	<u>697</u>	<u>711</u>

Amounts owed to Group undertakings are unsecured, interest free and payable on demand.

11 Other provisions

The restructuring provision relates to exceptional costs recognised in the Income Statement following the commencement of a restructure program (see note 6). £93,000 of the provision has been released in the year.

	Restructuring £ 000	Total £ 000
At 1 January 2018	379	379
Charged (credited) to other comprehensive income	(93)	(93)
Provisions used	<u>(286)</u>	<u>(286)</u>
At 31 December 2018	<u>-</u>	<u>-</u>

12 Post-employment benefits

Defined contribution pension scheme

The total cost charged to the Income Statement of £Nil (2017: £52,000) represents contributions payable to these schemes by the Company at rates specified in the rules of the scheme.

Home Assistance UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

13 Capital and reserves

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

14 Operating leases

Leases as lessee

At 31 December 2018 the Company had annual commitments under non-cancellable operating leases for property with the following maturity:

	2018 £ 000	2017 £ 000
Within one year	-	13

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2017: £Nil).

15 Parent and ultimate parent undertaking

The immediate parent undertaking is GB Gas Holdings Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated financial statements. Copies of the Centrica plc consolidated financial statements may be obtained from www.centrica.com.