

Registration number: 05625463

Centrica Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018



Centrica Holdings Limited

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Centrica Holdings Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their Strategic Report for Centrica Holdings Limited (the 'Company') for the year ended 31 December 2018.

Principal activities

The principal activity of the Company is to act as an investment holding company for Centrica plc ('the Group').

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 financial position of the Company is presented in the Statement of Financial Position on page 11. Total equity as at 31 December 2018 was £1,680,911,000 (2017: £1,991,102,000). The profit for the financial year ended 31 December 2018 was £472,809,000 (2017: £186,740,000).

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 remains in the range 30% to 70%, including the impact of interest rate derivatives.

From the perspective of the Company, the principal risks and uncertainties are integrated with those of the Group and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 41 to 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 necessary for an understanding of the development, performance and position of the business are net assets and profit after tax and these are shown above.

Future developments

The Group continues to implement the results of the 2015 strategic review and intends to exit its interests in the exploration and production and the nuclear businesses by the end of 2020.


Exit from the European Union

The UK referendum vote in June 2016 to leave the European Union has added to the risks and uncertainties faced by the Company. However, it is considered that the direct impact of these uncertainties on the Company is limited in the short-term. Many details of the implementation process continue to remain unclear. Extricating from the European Union treaties is a task of immense complexity but the Company is well-positioned to manage the possible market impacts. There are also potential tax consequences of the withdrawal and these will continue to be reassessed at each reporting date, to ensure the tax provisions reflect the most likely outcome following the withdrawal.

Centrica Holdings Limited

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

Approved by the Board on 12 September 2019 and signed on its behalf by:



A W MacVulloch

Company Secretary

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

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 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:

J Bell (resigned 1 November 2018)

I G Dawson (resigned 31 March 2019)

C M O'Shea (appointed 1 November 2018)

The following director was appointed after the year end:

J M Campbell (appointed 31 March 2019)

Results and dividends

The results of the Company are set out on page 9. The profit for the financial year ended 31 December 2018 is £472,809,000 (2017: £186,740,000).

During the year an interim dividend of £783,000,000 (2017: £417,000,000) was paid. No final dividend is proposed (2017: £nil).

Financial Instruments

The Company's policy for the management of risk in relation to its Financial Instruments is included in the Strategic Report.

Future developments

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

Post balance sheet events

There are no post balance sheet events.

Going concern

The financial statements have been prepared on a going concern basis as Centrica plc, the ultimate parent company, currently intends to support the Company to ensure it can meet its obligations as they fall due, provided the Company remains a member of the Group. 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.

Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year. 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 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 interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Centrica Holdings 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 *12 September 2019* and signed on its behalf by:

 **ALAN W McCULLOCH**

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 audit of the financial statements

Opinion

In our opinion, the financial statements of Centrica Holdings Limited:

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

We have audited the financial statements 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 the preparation of the financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 (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 (FRC) 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.

Conclusions related to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Centrica Holdings Limited

Independent Auditors' Report to the Members of Centrica Holdings 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 auditor's report.

Centrica Holdings Limited

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

Report on other legal and regulatory review

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 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 and the Directors' Report.

Matters on which we are required to report by exception

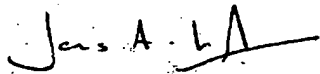
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.



.....
James Leigh (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor

London
United Kingdom

Date: 12/9/19

Centrica Holdings Limited

Income Statement for the Year Ended 31 December 2018

	Notes	2018 £ 000	2017 £ 000
Dividends received	5	783,000	417,000
Finance income	5	85,647	97,479
Finance costs	5	<u>(468,599)</u>	<u>(382,490)</u>
Profit before income tax		400,048	131,989
Income tax credit	7	<u>72,761</u>	<u>54,751</u>
Profit for the financial year		<u>472,809</u>	<u>186,740</u>

The above results were derived from continuing operations.

Centrica Holdings Limited

Statement of Comprehensive Income for the Year Ended 31 December 2018

	2018 £ 000	2017 £ 000
Profit for the financial year	<u>472,809</u>	<u>186,740</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>472,809</u>	<u>186,740</u>

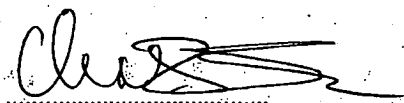
The notes on pages 13 to 42 form an integral part of these financial statements.

Centrica Holdings Limited

Statement of Financial Position as at 31 December 2018

	Note	2018 £ 000	2017 £ 000
Non-current assets			
Investments	8	10,736,100	10,736,100
Deferred tax assets	7	16,348	8,002
		<u>10,752,448</u>	<u>10,744,102</u>
Current assets			
Trade and other receivables	9	2,383,272	2,813,586
Total assets		<u>13,135,720</u>	<u>13,557,688</u>
Current liabilities			
Trade and other payables	10	(9,934,809)	(10,046,586)
Non-current liabilities			
Trade and other payables	10	(1,520,000)	(1,520,000)
Total liabilities		<u>(11,454,809)</u>	<u>(11,566,586)</u>
Net assets		<u>1,680,911</u>	<u>1,991,102</u>
Equity			
Called up share capital	11	-	-
Retained earnings		1,680,911	1,991,102
Total equity		<u>1,680,911</u>	<u>1,991,102</u>

The financial statements on pages 9 to 42 were approved and authorised for issue by the Board of Directors on 12 September 2019 and signed on its behalf by:



C M O'Shea

Director

Company number 05625463

The notes on pages 13 to 42 form an integral part of these financial statements.

Centrica Holdings Limited

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

	Note	Called up share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2018		-	1,991,102	1,991,102
Profit for the year and other comprehensive income		-	472,809	472,809
Dividends	12	-	(783,000)	(783,000)
At 31 December 2018		-	1,680,911	1,680,911
		Called up share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2017		-	2,221,362	2,221,362
Profit for the year and other comprehensive income		-	186,740	186,740
Dividends		-	(417,000)	(417,000)
At 31 December 2017		-	1,991,102	1,991,102

The notes on pages 13 to 42 form an integral part of these financial statements.

Centrica Holdings Limited

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

1 General information

Centrica Holdings 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.

Centrica Holdings Limited

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

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:

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

The impact of IFRS 9 is limited to the application of the mandated expected credit loss model. IFRS 15 did not have any impact on the Financial Statements of the Company.

IFRS 9: 'Financial Instruments'

The Company adopted IFRS 9: 'Financial Instruments' from 1 January 2018. In accordance with the transition provisions in the Standard, comparatives have not been restated, although no restatement would have been needed.

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. There was no material impact to the impairment provision as a result of applying IFRS 9.

IFRS 15: 'Revenue from contracts with customers'

The Company has no income which falls under the scope of IFRS 15.

Centrica Holdings Limited

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

2 Accounting policies (continued)

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;
- prior year reconciliations for property, plant and equipment and intangible assets;
- prior year reconciliations in the number of shares outstanding at the beginning and at the end of the year 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.

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 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.

Measurement convention

The financial statements have been prepared on the historical cost basis except for: investments in subsidiaries that have been recognised at deemed cost on transition to FRS 101.

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.

Exemption from preparing group financial statements

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under the section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate controlling company, Centrica plc.

Going concern

The Financial Statements have been prepared on a going concern basis of accounting as 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.

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.

Centrica Holdings Limited

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

2 Accounting policies (continued)

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 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 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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Dividend income

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

Investments in subsidiaries

Fixed assets investments in subsidiaries are held at deemed cost on transition to FRS101 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 2018 (continued)

2 Accounting policies (continued)

Impairment

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.

The recoverable amount of an asset or cash-generating unit ('CGU') 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 CGU). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs.

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 shall not be reversed in a subsequent period. 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.

The Company provides for impairments of financial assets when there is objective evidence of impairment as a result of events that impact the estimated future cash flows of the financial assets. IFRS 9 mandates the use of an expected 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 Group's financial assets, contract assets and loan commitments.

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 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 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.

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.

Centrica Holdings Limited

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

2 Accounting policies (continued)

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, these financial instruments are measured at amortised cost using the effective interest method.

3 Critical accounting judgements and key sources of estimation uncertainty

The Company does not have any critical accounting judgements. The sources of estimation uncertainty most applicable to the Company do not give rise to a significant risk of material adjustment to the carrying value of the Company's assets and liabilities.

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (2017: Nil).

5 Net finance income

Finance income

	2018 £ 000	2017 £ 000
Interest income from amounts owed by Group undertakings	85,647	97,479
Dividend income from Group undertakings	783,000	417,000
Total finance income	868,647	514,479

Finance costs

	2018 £ 000	2017 £ 000
Interest on amounts owed to Group undertakings	(468,599)	(382,490)
Total finance cost	(468,599)	(382,490)
Net finance income	400,048	131,989

6 Auditors' remuneration

Auditors' remuneration totalling £10,000 (2017: £10,000) 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 statements of its ultimate parent, Centrica plc

Centrica Holdings Limited

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

7 Income tax

Tax credited in the Income Statement

	2018 £ 000	2017 £ 000
Current tax		
UK corporation tax at 19.00% (2017: 19.25%)	(64,415)	(46,749)
Deferred taxation		
Arising from origination and reversal of temporary differences - UK	(8,346)	(8,106)
Arising from changes in tax rates and laws	-	104
Total deferred taxation	(8,346)	(8,002)
Tax receipt in the Income Statement	(72,761)	(54,751)

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:

	2018 £ 000	2017 £ 000
Profit before tax	400,048	131,989
Tax on profit at standard UK corporation tax rate of 19% (2017: 19.25%)	76,009	25,403
Effects of:		
Group relief adjustment for transfer pricing purposes	(25)	(564)
Transfer pricing adjustments	25	564
Deferred tax expense relating to changes in tax rates or laws	-	104
Income not taxable	(148,770)	(80,258)
Total current tax credit	(72,761)	(54,751)

Factors that may affect future tax changes

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 tax rates having regard to their reversal profiles.

Centrica Holdings Limited

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

7 Income tax (continued)

Deferred tax

Deferred tax movement during the year:

	At 1 January 2018 £ 000	Recognised in Income Statement £ 000	At 31 December 2018 £ 000
Loans and borrowings	(6,438)	(6,094)	(12,532)
Other items	14,440	14,440	28,880
Net tax assets/(liabilities)	<u>8,002</u>	<u>8,346</u>	<u>16,348</u>

Certain deferred tax assets and liabilities have been offset. The above is the analysis of the deferred tax balances (after offset) for financial reporting purposes.

8 Investments

	Shares in Group undertakings (subsidiaries) £ 000
Cost and Net Book Value	
At 1 January 2017	11,286,200
Additions	516,700
Disposals	<u>(1,066,800)</u>
At 31 December 2017	<u>10,736,100</u>
At 1 January 2018	<u>10,736,100</u>
At 31 December 2018	<u>10,736,100</u>

Note 13 discloses full details of the Company's investments.

Centrica Holdings Limited

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

9 Trade and other receivables

	2018	2017
	£ 000	£ 000
Amounts owed by Group undertakings	<u>2,383,272</u>	<u>2,813,586</u>
	2,383,272	2,813,586

Amounts owed by GB Gas Holdings Limited of £2,243,854,000 (2017: £2,158,207,000) 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 3.72% and 4.13% (2017: 3.66% and 3.86%).

Amounts owed by GB Gas Holdings Limited of £nil (2017: £490,774,000) accrue 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 in 2017 was between 3.66% and 3.86%. The balance was repaid at the start of the year.

Amounts owed by Centrica plc of £75,000,000 (2017: £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 3.72% and 4.13% (2017: 3.66% and 3.86%).

The remaining balance of £64,415,000 (2017: £89,603,000) is owed by Centrica plc, includes Group relief and is interest free.

Interest receivable amounts to £3,000 (2017: £2,000).

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 2018 (continued)

10 Trade and other payables

	2018		2017	
	Current £ 000	Non-current £ 000	Current £ 000	Non-current £ 000
Amounts owed to Group undertakings	9,934,809	1,520,000	10,046,586	1,520,000

Amounts owed to British Gas Trading Limited of £869,059,000 (2017: £824,954,000) 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 3.72% and 4.13% (2017: 3.66% and 3.86%).

Amounts owed to British Gas Trading Limited of £1,697,779,000 (2017: £1,623,298,000) 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 3.72% and 4.13% (2017: 3.66% and 3.86%).

Amounts owed to GB Gas Holdings Limited of £nil (2017: £490,773,000) 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 in 2017 was 3.66% and 3.86%. The balance was repaid at the start of the year.

Amounts owed to Centrica plc includes £7,215,971,000 (2017: £7,031,561,000) 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 3.72% and 4.13% (2017: 3.66% and 3.86%).

Other amounts of £152,000,000 (2017: £76,000,000) is interest payable to GB Gas Holdings Ltd and is interest free.

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 (2017: £1,520,000,000) 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 repay in whole or part prior to the repayment date.

Centrica Holdings Limited

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

11 Called up share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12 Dividends paid and proposed

	2018 £ 000	2017 £ 000
<i>Declared and paid during the year</i>		
Interim dividend of £391,500,000 (2017 - £208,500,000) per ordinary share	<u>783,000</u>	<u>417,000</u>

13 Related undertakings

The Company has related undertakings as at 31 December 2018 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 productions and/or trading	Canada	B	Ordinary shares		100
Accord Energy (Trading) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Accord Energy Limited	Dormant	United Kingdom	A	Ordinary shares		100
Alertme.com GmbH	Non-trading	Germany	C	Ordinary shares		100
Alertme.com Inc.	Energy management products and services	United States	D	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Atform Limited	Dormant	United Kingdom	A	Ordinary shares		100
Bord Gáis Energy Limited	Energy supply and power generation	Republic of Ireland	E	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
British Gas Finance Limited	Vehicle leasing	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

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Caythorpe Gas Storage Limited	Gas storage	United Kingdom	F	Ordinary shares		100
Centrica (IOM) Limited	Dormant	Isle of Man	G	Ordinary shares		100
Centrica (Lincs) Wind Farm Limited	Holding company	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 Business Solutions BV (ii)	Energy management products and services	Netherlands	U	Ordinary shares		100
Centrica Business Solutions (Generation) Limited (ii)	Power generation	United Kingdom	A	Ordinary shares		100
Centrica Business Solutions Canada Inc (ii)	Energy management products and services	Energy management products and services	B	Ordinary shares		100
Centrica Business Solutions International Limited (ii)	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Business Solutions Italia Srl (ii)	Energy management products and services	Italy	T	Ordinary shares		100
Centrica Business Solutions Mexico SA de C.V (iii)	Energy management products and services	Mexico	AQ	Ordinary shares		100
Centrica Business Solutions UK Limited (ii)	Energy management products and services	UK	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 Business Solutions Zrt (ii)	Energy management products and services	Hungary	S	Ordinary shares		100
Centrica Combined Common Investment Fund Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Delta Limited	Dormant	Isle of Man	I	Ordinary shares		100
Centrica Directors Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Distributed Generation Limited	Power generation	United Kingdom	A	Ordinary shares		100
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 Engineers Pension Trustees Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Finance (Canada) Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Finance (Scotland) Limited	Holding company	United Kingdom	K	Ordinary shares		100
Centrica Finance Investments Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Finance Norway Limited	Group financing	Jersey	L	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 Gamma Holdings Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Hive Canada Inc. (ii)	Energy management products and services	Canada	B	Ordinary shares		100
Centrica Hive Italy Srl (ii)	Energy management products and services	Italy	H	Ordinary shares		100
Centrica Hive Limited (ii)	Energy management products and services	United Kingdom	A	Ordinary shares		100
Centrica Hive SAS (iii)	Energy management products and services	France	AP	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	M	Ordinary shares		100
Centrica Infrastructure Limited	Dormant	United Kingdom	K	Ordinary shares		100
Centrica Innovations UK Limited	Investment company	United Kingdom	A	Ordinary shares		100
Centrica Insurance Company Limited	Insurance provision	Isle of Man	G	Ordinary and preference shares		100
Centrica Jersey Limited	In liquidation	Jersey	N	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 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 Leasing (KL) Limited	Dormant	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	J	Ordinary shares		100
Centrica NewCo 123 Limited	Dormant	United Kingdom	A	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 Offshore UK Limited	Gas and/or oil exploration and production	United Kingdom	F	Ordinary shares		100
Centrica Onshore Processing UK Limited	Dormant	United Kingdom	F	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	Limited by guarantee		100
Centrica Pension Trustees Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Production Limited	Dormant	United Kingdom	K	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 Renewable Energy Limited	Holding company	United Kingdom	A	Ordinary shares		100
Centrica Resources (UK) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Resources Petroleum UK Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Secretaries Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Services Limited	Business services	United Kingdom	A	Ordinary shares		100
Centrica Storage Holdings Limited	Holding company	United Kingdom	F	Ordinary shares		100
Centrica Storage Limited	Gas storage	United Kingdom	F	Ordinary shares		100
Centrica Trinidad and Tobago Limited	Business services	Trinidad and Tobago	O	Ordinary shares		100
Centrica Trust (No.1) Limited	Dormant	United Kingdom	A	Ordinary shares		100
Centrica Upstream Investment Limited	Dormant	United Kingdom	K	Ordinary shares		100
CH4 Energy Limited	Dormant	United Kingdom	A	Ordinary shares		100
CID1 Limited	Dormant	United Kingdom	A	Ordinary shares		100
CIU1 Limited	Dormant	United Kingdom	A	Ordinary shares		100
CSA Offshore Services (Proprietary) Limited	Business services	South Africa	P	Ordinary shares		100
DEML Investments Limited	Holding company	Canada	Q	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	R	Ordinary shares		100

Centrica Holdings Limited

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

13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Direct Energy 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	Q	Ordinary shares		100
Distributed Energy Asset Solutions Limited	Dormant	United Kingdom	A	Ordinary shares		100
Distributed Energy Customer Solutions Limited	Energy management products and services	United Kingdom	A	Ordinary shares		100
Drips Limited	Dormant	United Kingdom	A	Ordinary shares		100
Dyno Developments Limited	Dormant	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
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
Electricity Direct (UK) Limited	Dormant	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 Cogen International Limited	Holding company	United Kingdom	A	Ordinary shares		100
ENER-G Nagykanizsa Kft	Energy management products and services	Hungary	S	Ordinary shares		100
ENER-G Power2 Limited	Holding company	United Kingdom	A	Ordinary shares		100
ENER-G Tehnologii Energetice Srl	Energy management products and services	Romania	V	Ordinary shares		100
Energy For Tomorrow	Not-for-profit energy services	United Kingdom	A	Limited by guarantee		100
Flowgem Limited	Dormant	United Kingdom	A	Ordinary shares		100
GB Gas Holdings Limited	Holding company	United Kingdom	A	Ordinary shares	100	
Generation Green Solar Limited	Dormant community benefit society	United Kingdom	A	Ordinary shares		100
GF One Limited	In liquidation	United Kingdom	W	Ordinary shares		75
GF Two Limited	In liquidation	United Kingdom	W	Ordinary shares		75
Goldbrand Development Limited	Dormant	United Kingdom	A	Ordinary shares		100
Hillserve Limited	Dormant	United Kingdom	A	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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
Io-Tahoe UK Limited	Data management	United Kingdom	A	Ordinary shares		100
Io Tahoe Ukraine LLC	Data management	Ukraine	X	Ordinary shares		100
Neas Energy A/S	Energy services and wholesale energy trading	Denmark	Y	Ordinary shares		100
Neas Energy GmbH	Energy services and wholesale energy trading	Germany	Z	Ordinary shares		100
Neas Energy Limited	Energy services and wholesale energy trading	United Kingdom	A	Ordinary shares		100
Neas Energy Singapore Pte. Ltd	Energy services and wholesale energy trading	Singapore	AA	Ordinary shares		100
Neas Fondsmæglerselskab A/S	Non-trading	Denmark	Y	Ordinary shares		100
Neas Invest A/S	Dormant	Denmark	Y	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Newco One Limited	Dormant	United Kingdom	A	Ordinary shares		100
North Sea Infrastructure Partners Limited (ix)	Dormant	United Kingdom	AV	Ordinary shares		100
NSIP (Holdings) Limited	Dormant	United Kingdom	AV	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
Panoramic Power Ltd.	Energy management products and services	Israel	AB	Ordinary shares		100
Pioneer Shipping Limited	Sea freight water transport	United Kingdom	A	Ordinary shares		100
Repair and Care Limited	Dormant	United Kingdom	A	Ordinary shares		100
REstore Flexpond UK Limited (viii)	Demand response aggregation	United Kingdom	A	Ordinary shares		100
REstore Deutschland GmbH	Demand response aggregation	Germany	AM	Ordinary shares		100
REstore North America LLC	Demand response aggregation	United States	AN	Membership interest		100
REstore France SAS	Demand response aggregation	France	AC	Ordinary shares		100
REstore NV	Demand response aggregation	Belgium	AD	Ordinary shares		100

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
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
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
Direct Energy Partnership	Energy supply	Canada	B	Membership interest		100
Direct Energy Resources Partnership	Holding entity	Canada	B	Membership interest		100
Finance Scotland 2016 Limited Partnership	Group financing	United Kingdom	K	Membership interest	100	
Finance Scotland CEPS Limited Partnership	Group financing	United Kingdom	K	Membership interest		100
Finance Scotland CPP Limited Partnership	Group financing	United Kingdom	K	Membership interest		100
Ignite Social Enterprise LP	Social enterprise investment fund	United Kingdom	A	Membership interest		100
Bayerngas Norge AS	Gas and/or oil exploration and production	Norway	AE	Ordinary shares		69
Bayerngas Produksjon Norge	Financing company	Norway	AE	Ordinary shares		69
Bowland Resources (No.2) Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69

Centrica Holdings Limited

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

13 Related undertakings (continued)

Name	Principal activity	Country of incorporation	Registered address key (i)	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Bowland Resources Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Elswick Energy Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
NSGP (Ensign) Limited	Gas and/or oil exploration and production	Jersey	AF	Ordinary shares		69
Spirit Energy Danmark ApS	Gas and/or oil exploration and production	Denmark	AG	Ordinary shares		69
Spirit Energy Hedging Holding Limited (x)	Dormant	United Kingdom	AS	Ordinary shares		69
Spirit Energy Hedging Limited (x)	Dormant	United Kingdom	AS	Ordinary shares		69
Spirit Energy Limited (iv) (x)	Holding company	United Kingdom	AS	Ordinary shares		69
Spirit Energy Nederland BV	Gas and/or oil exploration and production	Netherlands	J	Ordinary Shares		69
Spirit Energy Norge AS	Gas and/or oil exploration and production	Norway	AH	Ordinary shares		69
Spirit Energy North Sea Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Spirit Energy North Sea Oil Limited	Gas and/or oil exploration and production	United Kingdom	K	Ordinary shares		69
Spirit Energy Petroleum Danmark AS (v)	Gas and/or oil exploration and production	Norway	E	Ordinary shares		69
Spirit Energy Production UK Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Spirit Energy Resources Limited (x)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Spirit Energy Southern North Sea Limited (xi)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Spirit Energy Treasury Limited (x)	Financing company	United Kingdom	AS	Ordinary shares		69
Spirit Energy WOS Limited (iii)	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Spirit Europe Limited (vi) (xi)	Holding company	United Kingdom	AI	Ordinary shares		69
Spirit Infrastructure BV	Construction, ownership and exploitation of infrastructure	Netherlands	J	Ordinary shares		69

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Spirit North Sea Gas Limited	Gas and/or oil exploration and production	United Kingdom	K	Ordinary shares		69
Spirit Norway Limited	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Spirit Production (Services) Limited	Business services	United Kingdom	K	Ordinary shares		69
Spirit Resources (Armada) Limited	Gas and/or oil exploration and production	United Kingdom	AS	Ordinary shares		69
Barrow Shipping Limited (2018) (iii)	Gas and/or oil exploration and production	United Kingdom	AR	Ordinary shares		50
Celtic Array Limited	Development of an offshore windfarm	United Kingdom	A	Ordinary shares		50
Eurowind Polska VI Sp z o.o.	Operation of an onshore windfarm	Poland	AJ	Ordinary shares		50
Greener Ideas Limited	Development of flexible power generation sites	Republic of Ireland	AT	Ordinary shares		50
Rhiannon Wind Farm Limited	Dormant	United Kingdom	A	Ordinary shares		50
Vindpark Kεblowo ApSs	Operation of an onshore windfarm	Denmark	AU	Ordinary shares		50

Centrica Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (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 (%)
Lake Acquisitions Limited	Holding company	Holding company	AK	Ordinary shares		20
Veolia CHP Ireland Limited	Energy supply and power generation	Energy supply and power generation	AL	Ordinary shares		20

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

(ii) The following name changes were made during the year:

- Combined Power (South) Limited to Centrica Business Solutions (Generation) Limited;
- ENER-G Nedale BV to Centrica Business Solutions BV;
- Distributed Energy Canada Inc to Centrica Business Solutions Canada Inc;
- GLID Limited to Centrica Business Solutions International Limited;
- ENER-G Italia Srl to Centrica Business Solutions Italia Srl;
- ENER-G Combined Power Limited to Centrica Business Solutions UK Limited;
- ENER-G Energia Tecnologia Zrt to Centrica Business Solutions Zrt;
- Centrica Connected Home Canada Inc to Centrica Hive Canada Inc;
- Centrica Connected Home Limited to Centrica Hive Limited
- Centrica Connected Home Italy Srl to Centrica Hive Srl.

(iii) Acquired or established in 2018

(iv) Spirit Energy Limited changed the class of shares held from ordinary and preference shares to ordinary and deferred shares during 2018.

(v) Spirit Energy Petroleum Danmark AS principally operates in Denmark.

(vi) Spirit Europe Limited was renamed during the year (previously Spirit Europe Ltd).

(vii) CFCPS LLP and Finance Scotland CPS Limited Partnership were dissolved on 7 February 2018.

(viii) Restore Flexpond UK Limited changed its registered office on 9 January 2019 from 1 Glass Wharf, Bristol, BS2.0ZX, United Kingdom to the address listed above.

(ix) North Sea Infrastructure Partners Limited and NSIP (Holdings) Limited changed its registered office during the year from IQ Building, 15 Justice Mill Lane, Aberdeen, AB11.6EQ to the address listed above.

(x) Bowland Resources (No. 2) Limited, Bowland Resources Limited, Elswick Energy Limited, Spirit Energy Hedging Holding Limited, Spirit Energy Hedging Limited, Spirit Energy Limited, Spirit Energy North Sea Limited, Spirit Energy Production UK Limited, Spirit Energy Resources Limited, Spirit Energy Treasury Limited, Spirit Energy WOS Limited, Spirit Norway Limited and Spirit Resources (Armada) Limited changed their registered address on 30 January 2019 from Millstream, Maidenhead Road, Windsor, SL4 5GD to the address listed above.

Centrica Holdings Limited

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

13 Related undertakings (continued)

(xi) Spirit Energy Southern North Sea Limited and Spirit Europe Limited changed their registered address on 30 January 2019 from 160 London Road, Suite 4a London Road, Sevenoaks, Kent, TN13 1BT, United Kingdom to the address listed above.

(xii) Neas Energy A/S changed its name to Centrica Energy Trading A/S and Neas Energy Singapore Pte. Ltd changed its name to Centrica Energy Trading Pte. Ltd on 26 February 2019. Neas Energy Trading GmbH changed its name to Centrica Energy Trading GmbH on 20 March 2019.

List of registered addresses

Registered address key	Address
A	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom
B	2323 32nd Avenue N.E., Suite 260, Calgary, AB T2E 6Z3, Canada
C	Thomas-Wimmer-Ring 1-3, 80539, Munich, Germany
D	1521 Concord Pike #303, Wilmington, DE 19803, United States
E	1 Warrington Place, Dublin, 2, Republic of Ireland
F	Woodland House, Woodland Park, Hessle, HU13 0F, United Kingdom
G	St George's Court, Upper Church Street, Douglas, IM1 1EE, Isle of Man
H	Via Paleocapa Pietro 4, 20121 Milano, ItalyVia Paleocapa Pietro 4, 20121 Milano, Italy
I	33-37 Athol Street, Douglas, IM1 1LB, Isle of Man
J	Polarisavenue 39, 2132 JH Hoofddorp, Netherlands
K	IQ Building, 15 Justice Mill Lane, Aberdeen, AB11 6EQ, United Kingdom
L	47 Esplanade, St Helier, JE1 0BD, Jersey
M	G-74, LGF, Kalkaji, New Delhi, South Delhi, Delhi, 110019, India
N	26 New Street, St Helier, JE2 3RA, Jersey
O	48-50 Sackville Street, Port of Spain, Trinidad and Tobago
P	No 12A Sooty Street, Cnr Reddersburg & Virginia Street, Amberfield Glen, Rooihuiskraal, North Centurion Gauteng, 0175, South Africa
Q	333 Bay Street, Suite 400, Toronto ON M5H 2R2, Canada
R	1185 West Georgia Street, Suite 1700, Vancouver BC V6E 4E6, Canada
S	H-1106 Budapest, Jászberényi út 24-36, Hungary
T	Milan (MI), Via Emilio Comalia 26, Italy
U	Wiegerbruinlaan 2A, 1422 CB Uithoorn, Netherlands
V	15-23 Bucuresti Nord Street, Windsor Building, Ground Floor, Office No. 1, Voluntari, Ilfov County, Romania
W	1 More London Place, London, SE1 2AF, United Kingdom
X	20 A Heroiev Stalingrada Avenue, Kyiv 04210, Ukraine

Centrica Holdings Limited

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

13 Related undertakings (continued)

Y	Skelagervej 1, DK 9000 Aalborg, Denmark
Z	Schillerstr. 7, 40721 Hilden (bei Düsseldorf), Germany
AA	220 Orchard Road, #05-01 Midpoint Orchard, Singapore 238852
AB	15 Atir Yeda Street, Kfar Saba, 44643, Israel
AC	Place de la Défense 12, Maison de la Défense, 92974 Paris, France
AD	Posthofbrug 12, 2600 Antwerp, Belgium
AE	Lilleakerveien 8, 0283 Oslo, Norway
AF	13 Castle Street, St Helier, JE4 5UT, Jersey
AG	Rådhuspladsen 16, 1550 København V, Denmark
AH	Veritasveien 25, 4007 Stavanger, Norway
AI	160 London Road, Suite 4a London Road, Sevenoaks, Kent, TN13 1BT, United Kingdom
AJ	Ul. Wysogotowska 23, 62-081 Prezezmierowo, Poland
AK	90 Whitfield Street, London, W1T 4E2 United Kingdom (i)
AL	Innovation House, DCU Innovation Campus, 11 Old Finglas Road, Glasnevin, Dublin, 11, Republic of Ireland
AM	Graf-Adolf-Platz 12, 40213 Düsseldorf, Germany
AN	WTS LLC, 67 East Park Place, Morristown, New Jersey 07960, United States
AO	1 Glass Wharf, Bristol, BS2 0ZX, United Kingdom
AP	3 Boulevard de Sebastopol, 75001, Paris, France
AQ	Av. Presidente Masaryk No 61 Int 503 Col Chapultepec Morales, Miguel Hidalgo Ciudad de Mexico, Mexico 11570
AR	C/O Wilkin Chapman Llp, The Maltings, 11-15 Brayford Wharf East, Lincoln, LN5 7AY, United Kingdom
AS	First Floor, 20 Kingston Road, Staines-upon-Thames, TW18 4LG, United Kingdom (iii) (iv)
AT	Webworks, Eglinton Street, Cork, Republic of Ireland
AU	Mariagervej 58B, DK 9500 Hobro, Denmark
AV	1 Waterfront Avenue, Edinburgh, Scotland EH5 1SG

Centrica Holdings Limited

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

14 Related party transactions

Directors' remuneration

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company and are payable for services wholly attributable to Centrica plc and other 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 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.

The most senior parent entity producing publicly available financial statements is Centrica plc.