

**Registered Number: 02949541**

**Humberland Limited**

**Annual Report and Financial Statements  
For the year ended 31 December 2013**



---

# **Humberland Limited**

## **Annual Report and Financial Statements for the year ended 31 December 2013**

### **Contents**

	<b>Page</b>
Directors' Report for the year ended 31 December 2013	1
Strategic Report for the year ended 31 December 2013	4
Independent Auditors' Report to the members of Humberland Limited	5
Profit and Loss Account for the year ended 31 December 2013	7
Balance Sheet as at 31 December 2013	8
Notes to the Financial Statements for the year ended 31 December 2013	9

# Humberland Limited

## Directors' Report for the year ended 31 December 2013

The Directors present their report and the audited financial statements of Humberland Limited ("the Company") for the year ended 31 December 2013.

### Future developments

There are no plans to change the nature of the Company's leasing activities in the foreseeable future. The ultimate parent company, Centrica plc, announced on 8 May 2014 that it intends to dispose of its holding in the Company.

### Financial risk management

The Directors have established objectives and policies for managing financial risks to enable the Company to achieve its long-term shareholder value growth targets within a prudent risk management framework. These objectives and policies are regularly reviewed. Exposure to counterparty credit risk and liquidity risk arises in the normal course of the Company's business:

- Counterparty credit exposures are monitored by individual counterparty and by category of credit rating, and are subject to approved limits. Credit risk is predominantly limited to exposures with other Centrica plc group undertakings.
- Cash forecasts identifying the liquidity requirements of the Company are produced frequently and reviewed regularly.
- Liquidity risk is managed through funding arrangements with Centrica plc group undertakings.

The Company did not take part in hedging of any kind (2012: £nil). The Company would hedge foreign currency risk if the need arose.

### Results and dividends

The results of the Company are set out on page 7.

During the year the Company made a profit for the financial year of £41,250,000 (2012: £51,856,000). No dividends were paid on the ordinary shares for the year ended 31 December 2013 (2012: £50,000,000). The Directors do not recommend the payment of a final dividend (2012: £nil).

### Financial position

The financial position of the Company is presented in the Balance Sheet on page 8. The shareholders' funds at 31 December 2013 were £259,147,000 (2012: £217,897,000).

### Directors

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

John Knight	(Appointed 1 January 2014)
Richard McCord	(Appointed 15 November 2013)
Mark Futyan	(Appointed 22 April 2014)
Thomas Hinton	(Resigned 15 November 2013)
Graeme Collinson	(Resigned 1 January 2014)
Sarwjit Sambhi	(Resigned 12 August 2013)
John Watts	(Resigned 22 April 2014)

### Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year under review. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

# **Humberland Limited**

## **Directors' Report for the year ended 31 December 2013 (continued)**

### **Post balance sheet events**

The ultimate parent company, Centrica plc, announced on 8 May 2014 that it intends to dispose of its holding in the Company. No adjustments to the financial statements are considered necessary in respect of this announcement.

### **Going concern**

The company is dependent on financial support from its ultimate parent company, Centrica plc, and has received confirmation that such support will be available for such time as the company remains a subsidiary. However, as explained in note 18, the parent company has announced that it intends to dispose of its holding in the company. Therefore at this stage the directors are unable to establish whether the necessary financial support will be available from any new owner. This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Taking the above into account, and the possibility of the new owner providing adequate support to the company, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements 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 auditors**

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

# **Humberland Limited**

## **Directors' Report for the year ended 31 December 2013 (continued)**

### **Independent Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

This report was approved by the Board on 11 September 2014.



For and on behalf of Centrica Secretaries Limited  
**Company Secretary**

Company registered in England and Wales No. 02949541

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

# Humberland Limited

## Strategic Report for the year ended 31 December 2013

The Directors present the Strategic Report of Humberland Limited ("the Company") for the year ended 31 December 2013.

### Business review

The Company's principal activity during the year was the leasing of a 1,285 MW gas-fired power station at Stallingborough, North East Lincolnshire, known as the South Humber Bank Power Station, to Centrica SHB Limited.

During the year, Humberland Limited continued its activity of leasing the gas-fired power station to its immediate parent company, Centrica SHB Limited. Trading was in line with Directors expectations for the year.

### Financial position

The financial position of the Company is presented in the Balance Sheet on page 8. The shareholders' funds at 31 December 2013 were £259,147,000 (2012: £217,897,000).

### Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed on pages 42-48 of the Annual Report and Accounts 2013 of the Group, which does not form part of this report.

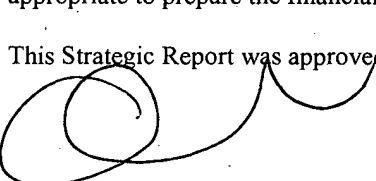
### Key performance indicators (KPIs)

The Directors of the Group use a number of key performance indicators to monitor progress against the Group's strategy. The development and performance of the Group, which includes the Company, are discussed on pages 16-17 of the Annual Report and Accounts 2013 of the Group, which does not form part of this report.

### Going concern

The company is dependent on financial support from its ultimate parent company, Centrica plc, and has received confirmation that such support will be available for such time as the company remains a subsidiary. However, as explained in note 18, the parent company has announced that it intends to dispose of its holding in the company. Therefore at this stage the directors are unable to establish whether the necessary financial support will be available from any new owner. This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Taking the above into account, and the possibility of the new owner providing adequate support to the company, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

This Strategic Report was approved by the Board on 11 September 2014.



For and on behalf of Centrica Secretaries Limited  
Company Secretary

Company registered in England and Wales No. 02949541

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

# **Humberland Limited**

## **Independent Auditors' Report to the members of Humberland Limited**

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

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **Emphasis of matter – going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is dependent on financial support from its ultimate parent company, Centrica plc, and has received confirmation that such support will be available for such time as the company remains a subsidiary. However, as explained in note 18, the parent company has announced that it intends to dispose of its holding in the company. Therefore at this stage the directors are unable to establish whether the necessary financial support will be available from any new owner. This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

#### **What we have audited**

The financial statements, which are prepared by Humberland Limited, comprise:

- the Balance Sheet as at 31 December 2013
- the Profit and Loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

In addition, we have read all the financial and non-financial information in the Director's Report, Strategic Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# **Humberland Limited**

## **Independent Auditors' Report to the members of Humberland Limited (continued)**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of Directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

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

#### **Our responsibilities and those of the Directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Mark King (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
11 September 2014



# Humberland Limited

## Profit and Loss Account for the year ended 31 December 2013

	Note	2013 £000	2012 £000
<b>Turnover</b>	3	75	75
Cost of sales		-	-
<b>Gross profit</b>		<u>75</u>	<u>75</u>
Administrative expenses		(53)	(53)
<b>Operating profit</b>	4	<u>22</u>	<u>22</u>
Interest receivable and similar income	7	60,430	49,273
Interest payable and similar charges	8	(31,088)	(32)
<b>Profit on ordinary activities before taxation</b>		<u>29,364</u>	<u>49,263</u>
Tax on profit on ordinary activities	9	11,886	2,593
<b>Profit for the financial year</b>	16	<u><u>41,250</u></u>	<u><u>51,856</u></u>

The Company has no recognised gains or losses other than the profit above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

There are no material differences between the profit on ordinary activities before taxation and the profit for the years stated above and their historical cost equivalents.

All results relate to continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

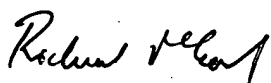
# Humberland Limited

## Balance Sheet as at 31 December 2013

	Note	2013 £000	2012 £000
<b>Fixed assets</b>			
Tangible assets	10	<u>2,210</u>	<u>2,210</u>
<b>Debtors - amounts falling due after more than one year</b>	12	453,884	469,606
<b>Current assets</b>			
Debtors - amounts falling due within one year	11	<u>373,767</u>	<u>310,191</u>
		<u>373,767</u>	<u>310,191</u>
<b>Creditors - amounts falling due within one year</b>	13	<u>(488,237)</u>	<u>(462,741)</u>
<b>Net current liabilities</b>		<u>(114,470)</u>	<u>(152,550)</u>
<b>Total assets less current liabilities</b>		341,624	319,266
<b>Provisions for liabilities</b>	14	<u>(82,477)</u>	<u>(101,369)</u>
<b>Net assets</b>		<u><u>259,147</u></u>	<u><u>217,897</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	-	-
Revaluation reserve	16	842	842
Profit and loss account	16	<u>258,305</u>	<u>217,055</u>
<b>Total shareholders' funds</b>	17	<u><u>259,147</u></u>	<u><u>217,897</u></u>

The notes on pages 9 to 17 form part of these financial statements.

The financial statements on pages 7 to 17 were approved and authorised for issue by the Board of Directors on 11 September 2014 and were signed on its behalf by:



Richard McCord  
Director  
Registered Number: 02949541

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013

### 1. Principal accounting policies

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and the applicable United Kingdom accounting standards. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### Going concern

The company is dependent on financial support from its ultimate parent company, Centrica plc, and has received confirmation that such support will be available for such time as the company remains a subsidiary. However, as explained in note 18, the parent company has announced that it intends to dispose of its holding in the company. Therefore at this stage the directors are unable to establish whether the necessary financial support will be available from any new owner. This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Taking the above into account, and the possibility of the new owner providing adequate support to the company, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

#### Turnover

Turnover is recognised on an accruals basis and relates to operating lease income from a fellow Group undertaking.

#### Tangible assets

Tangible assets, with the exception of freehold land, are stated at cost. During 1995 the Company's freehold land was valued by the Directors on an open market, existing use basis. No further valuations will be carried out in the future, though the existing valuation will be retained.

Tangible assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged on all fixed assets, other than freehold land.

#### Finance lease receivables

From the point at which each phase of the power station became operational, assets were leased to the Company's parent undertaking under an agreement, which transfers substantially all the risks and rewards of ownership, other than legal title. Income arising under this agreement is allocated according to accounting years so as to give a constant rate of return on the net cash investment in the lease.

#### 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 substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it can be regarded as more likely than not that future taxable profits will be available against which the unused tax losses can be utilised.

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 1. Principal accounting policies (continued)

#### Impairment

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Recoverable amount is the higher of net realisable value and value in use. 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

A previously recognised impairment loss on a tangible asset is reversed only because of a change in economic conditions or in the expected use of the asset. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the Profit and Loss Account immediately. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

### 2. Cash flow statements and related party disclosures

The Company is a wholly-owned subsidiary of Centrica SHB Limited and is included in the consolidated financial statements of Centrica plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements". The Company is also exempt under the terms of Financial Reporting Standard 8 "Related Party Disclosures" from disclosure of transactions with other wholly owned companies that are part of the Centrica plc group.

### 3. Turnover

All turnover relates to the principal activity of the business and occurs wholly in the United Kingdom.

### 4. Operating profit

	2013 £000	2012 £000
<b>Operating profit is stated after charging:</b>		
Services provided by the Company's auditors:		
Fees payable for the audit	<u>5</u>	<u>5</u>

Auditors' remuneration totalling £5,000 (2012: £5,000) relates to fees for the audit of the UK GAAP statutory financial statements of Humberland Limited.

### 5. Directors' emoluments

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company and are payable for services wholly attributable to other Centrica plc subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these financial statements.

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 6. Employee information

The Company has no direct employees (2012: nil).

### 7. Interest receivable and similar income

	2013 £000	2012 £000
Interest receivable from Group undertakings	12,651	-
Intra-Group finance lease interest	<u>47,779</u>	<u>49,273</u>
	<u>60,430</u>	<u>49,273</u>

### 8. Interest payable and similar charges

	2013 £000	2012 £000
Interest payable to Group undertakings	<u>31,088</u>	<u>32</u>

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 9. Tax on profit on ordinary activities

	2013 £000	2012 £000
<b>(a) Analysis of tax credit in the year</b>		
The tax credit comprises:		
<b>Current tax:</b>		
UK corporation tax at 23.25% (2012: 24.5%)	7,006	-
<b>Deferred tax:</b>		
Effect of change to deferred tax rate	(12,362)	(8,819)
Origination and reversal of timing differences	(907)	(194)
Adjustments in respect of prior years	(5,623)	6,420
<b>Tax on profit on ordinary activities</b>	<b>(11,886)</b>	<b>(2,593)</b>

### (b) Factors affecting the tax credit for the year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows:

	2013 £000	2012 £000
<b>Profit on ordinary activities before tax</b>	<b>29,364</b>	<b>49,263</b>
Tax on profit on ordinary activities at standard UK corporation tax rate of 23.25% (2012: 24.5%)	6,827	12,069
Effects of:		
Capital allowances in excess of depreciation	(2,314)	(3,075)
Other timing differences	3,221	3,269
Group relief for nil consideration	-	(11,064)
UK:UK transfer pricing adjustments	(728)	(1,199)
<b>Current tax charge for the year</b>	<b>7,006</b>	<b>-</b>

The main rate of corporation tax was reduced from 26% to 24% from 1 April 2012 and to 23% from 1 April 2013. Further reductions to reduce the rate to 21% from 1 April 2014 and to 20% by 1 April 2015 were substantively enacted in Finance Act 2013 on 2 July 2013 and have been reflected within these financial statements.

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 10. Tangible assets

	Freehold land £000	Total £000
<b>Cost or valuation</b>		
At 1 January 2013	2,210	2,210
<b>At 31 December 2013</b>	<b>2,210</b>	<b>2,210</b>
<b>Accumulated depreciation</b>		
At 1 January 2013	-	-
<b>At 31 December 2013</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>		
<b>At 31 December 2013</b>	<b>2,210</b>	<b>2,210</b>
At 31 December 2012	2,210	2,210

The Company's freehold land was valued by the Directors on 31 March 1995 and is included at this valuation above. The historical cost of the Company's freehold land at 31 December 2013 was £1,362,000 (2012: £1,362,000). The Company has adopted the transitional provisions of Financial Reporting Standard No 15 – "Tangible Fixed Assets" and as a result no further valuations will be carried out and previous surpluses will be retained.

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 11. Debtors – amounts falling due within one year

	2013 £000	2012 £000
Net investment in intra-Group finance leases	15,722	14,218
Amounts owed by parent undertaking	358,045	295,973
	<u>373,767</u>	<u>310,191</u>

### 12. Debtors – amounts falling due after more than one year

	2013 £000	2012 £000
Net investment in intra-Group finance leases	<u>453,884</u>	<u>469,606</u>
Maturity of net investment in intra-Group finance leases:		
	2013 £000	2012 £000
Less than one year	15,722	14,218
Between one and five years	107,210	73,452
Over five years	346,674	396,154
	<u>469,606</u>	<u>483,824</u>

### 13. Creditors – amounts falling due within one year

	2013 £000	2012 £000
Amounts owed to Group undertakings	488,183	462,686
Accruals and deferred income	54	55
	<u>488,237</u>	<u>462,741</u>

On 27 December 2012, Humberland Limited re-financed £444,100,000 of its intercompany loans. Under the new terms, interest is payable annually at 7%. The loans are repayable on demand.

Included within the amounts owed to Group undertakings is a net payable of £12,985,000 (2012: £412,686,000) consisting of interest bearing and non-interest bearing balances to the same Group undertaking. The interest bearing balance comprises a receivable of £457,065,000 (2012: payable £14,222,000) that bears interest at a quarterly rate determined by Group Treasury and linked to the Group cost of funds. The non-interest bearing balance comprises a payable of £470,050,000 (2012: £398,464,000). These two balances are netted, resulting in a net payable of £12,985,000. The quarterly rates ranged between 2.34 and 3.19% per annum during 2013 (2012: 3.28 and 3.51%).



# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 14. Provisions for liabilities

	As at 1 January 2013 £000	Profit and loss charge / (credit) £000	As at 31 December 2013 £000
Deferred taxation			
- accelerated capital allowances	(12,721)	3,649	(9,072)
- other timing differences	114,090	(22,541)	91,549
	<u>101,369</u>	<u>(18,892)</u>	<u>82,477</u>

Deferred corporation tax liability is analysed as follows:

	Provided		Unprovided	
	This period £000	Last period £000	This period £000	Last period £000
Deferred corporation tax				
- accelerated capital allowances	(9,072)	(12,721)	-	-
- other timing differences	91,549	114,090	-	-
	<u>82,477</u>	<u>101,369</u>	<u>-</u>	<u>-</u>

### 15. Called up share capital

	2013 £	2012 £
Allotted and fully paid		
100 (2012: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 16. Reserves

	Revaluation reserve £000	Profit and loss account £000	Total £000
At 1 January 2013	842	217,055	217,897
Profit for the financial year	-	41,250	41,250
At 31 December 2013	<u>842</u>	<u>258,305</u>	<u>259,147</u>

# Humberland Limited

## Notes to the Financial Statements for the year ended 31 December 2013 (continued)

### 17. Reconciliation of movements in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	217,897	216,041
Profit for the financial year	41,250	51,856
Dividends paid	-	(50,000)
Closing shareholders' funds	<u>259,147</u>	<u>217,897</u>

### 18. Post balance sheet events

The ultimate parent company, Centrica plc, announced on 8 May 2014 that it intends to dispose of its holding in the Company. No adjustments to the financial statements are considered necessary in respect of this announcement.

### 19. Composite debenture

The Company and its immediate parent company, Centrica SHB Limited, have entered into a composite debenture, whereby they each created security in favour of three Centrica pension schemes over all of their assets and undertakings. The composite debenture creates a fixed and floating charge over all of the assets of Humberland Limited and Centrica SHB Limited (effectively the Humber Power Station), whereby the trustees of the pension funds can, in the event of a defined event of default by Centrica plc and certain other Centrica group companies, enforce their security, ultimately through taking over the operation of the Humber Power Station and selling it as a going concern.

The composite debenture charges the real property which constitutes Humber Power Station and all its fixtures and fittings, the benefit of certain contractual interests held by Humberland Limited and Centrica SHB Limited (such as insurance policies, intra-Group company loans and key operational and commercial contracts) and the shares which GB Gas Holdings Limited holds in Centrica SHB Limited, and the shares which Centrica SHB Limited holds in Humberland Limited.

### 20. Capital and other commitments

Contracted future capital expenditure as at 31 December 2013 was £nil (2012: £nil).

## **Humberland Limited**

### **Notes to the Financial Statements for the year ended 31 December 2013 (continued)**

#### **21. Ultimate parent undertaking**

The Company's immediate parent undertaking is Centrica SHB Limited, a company registered in England and Wales.

The Company's 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](http://www.centrica.com).