Registered Number : 03814495

GDF SUEZ Sales Limited

Report and Financial Statements

31 December 2012

Registered No 03814495

Directors
Dr S Riley
Mr D Park
Mr J Lester

Secretary
Ms H Berger

Auditor
Deloitte LLP
Chartered Accountants and Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Bankers
Barclays Bank PLC
50 Pall Mall
London
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Directors' report

The directors present their report and the company financial statements for the year ended 31 December 2012

Results and dividends

The results for the year, after taxation amounted to a profit of £9,304,000 (2011 £9,869,000), a decrease of 6% from the previous year Of this, all is attributable to the members of the company

The directors do not recommend a final ordinary dividend for the year (2011 £9,869,000) an interim dividend of £6,000,000 was paid on 19th December 2012, (2011 £nil) Dividends are recognised in the accounts in the year in which they are paid, or in the case of a final dividend when approved by the shareholders

Principal activities, review of the business and future developments

The principal activities of the company are the purchase, supply and management of natural gas to industrial and commercial customers

The company's key financial and other performance indicators during the year were as follows

	2012	2011	Change%
Volume sold (thousand Therms)	766,624	785,659	(2%)
Turnover (£'000)	532,188	501,661	6%
Gross profit (£'000)	20,655	22,443	(8%)
Profit before tax (£'000)	12,339	13,448	(8%)

Turnover has increased by 6% to £532,188,000 (2011 £501,661,000), this has been achieved despite a decrease of 2% in the volume of gas delivered, compared to 2011

The company profitability decreased, with a gross profit of a £20,655,000 (2011 £22,443,000) and a profit before tax of £12,339,000 (2011 £13,448,000) This is a consequence of increased competitive pressures in the market place

The result for the year, combined with the dividends paid in 2012 has resulted in the company's net assets decreasing to £3,304,000 (2011 £9,869,000) The delivering portfolio of gas customers remains strong and provides a firm foundation for the forthcoming year Based on the results achieved this year, the directors are confident that the future prospects of the company are good

Principal risks and uncertainties facing the company

The key risks are energy prices, credit risk, economic conditions, competitor actions, legislation, business continuity and internal controls failure The company maintains a strong balance sheet backed by the support of its parent company and GDF SUEZ group

Exposure to energy price risk is minimised by restricting quotation validity to limited underlying market price movements and by hedging sales with purchases at the point of contract acceptance Gas forward contracts are used to fix the price of future physical flows and thus provide greater certainty on future turnover and costs

The company's credit risk is attributable to its trade debtors and accrued income The risk is controlled by review of customer creditworthiness at a purchasing and parent company level and mitigated through the use of credit insurance, letters of credit and customer deposits

Exposure to economic conditions is mitigated by pursuing a diversified customer portfolio to reduce reliance being focused toward a small number of large customers or a number of customers within specific industry sectors

Directors' report

Principal risks and uncertainties facing the company (continued)

The impact of competitor actions is monitored on an on-going basis to ensure the products and services offered by the company continue to maintain our competitive position in the market

The group's Regulatory Affairs team monitor and provide active participation in consultation on legislative changes within the industry and the company ensures compliance with all relevant legislation Health and Safety guidance is provided to employees through information on the intranet and in the company Employee Handbook

The company has a business continuity plan ready to be implemented in response to a critical business event

An Internal Control Review Project combined with a Continuous Improvement Programme was in place throughout the year The combination of these two initiatives is the documentation of policies, procedures and key processes throughout the business with the objective of achieving a greater level of control, process consistency, efficiency and improvement

The company's treasury policies seek to reduce and minimise financial risk and ensure sufficient liquidity for foreseeable requirements The majority of transactions are in £ sterling, however where appropriate the group hedges foreign exchange transactions to minimise exposure to foreign exchange movements

There is a comprehensive budgeting system in place with an annual budget approved locally by the executive management team and also centrally by Branch Energy International and GDF SUEZ SA Management information systems provide the executive management team and directors with relevant and timely reports that identify significant deviations from approved plans and include regular re-forecasts for the year, in order to facilitate timely analysis and appropriate decisions and actions

Branch Energy International and GDF SUEZ SA group instruction manuals set out the policies and procedures with which the UK subsidiaries are required to comply The executive management team are responsible for ensuring that the UK companies observe and implement the policies and procedures set out in the manual which is regularly reviewed and updated

Going concern

The directors have considered the going concern basis and concluded that it is appropriate In performing this assessment the directors have considered the forecasts for the company and the uncertain current economic conditions Further detail is provided in note 1 to the financial statements

Directors

The directors who served during the year ended 31 December 2012 and subsequently were

Dr S Riley
Mr D Park
Mr J Lester

Supplier payment policy

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and then abide by the terms of payment

Trade creditors of the company were equivalent to 1 days' purchases (2011 4), based on the average daily amount invoiced by suppliers during the year

Directors' report

Change in ownership

On 2 July 2012 GDF SUEZ SA acquired the remaining 30% of share capital in International Power plc, a company registered in England and Wales an intermediate parent company of GDF SUEZ Sales Limited Following the completion of the acquisition, International Power was rebranded as GDF SUEZ Energy International and in March 2013 the legal entity re-registered as International Power Ltd GDF SUEZ SA therefore remains the company's ultimate parent and controlling interest

Employees

The company has no employees Activities of the company are performed by employees of its sister company GDF SUEZ Marketing Limited and the costs of such activities are recharged to GDF SUEZ Sales Limited

Environmental policy

The company is committed to reducing its impact on the environment As part of this commitment the company actively promotes and encourages energy efficiency and recycling wherever possible

Auditor

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

Directors' statement as to disclosure of information to the auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 1 Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information (that is, information needed by the company's auditor in connection with preparing their report) of which the company's auditor is unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

By order of the Board,

D Park

Director

23 September 2013

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare such financial statements for each financial year Under that law the directors are required to prepare the group financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework 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 Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Independent auditor's report

to the member of GDF SUEZ Sales Limited

We have audited the financial statements of GDF SUEZ Sales Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 17 The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 101 Reduced Disclosure Framework

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

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 read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report

to the member of GDF SUEZ Sales Limited

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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

Makhan Chahal FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP,

Chartered Accountants and Statutory Auditor

London, UK

27 September 2013

Profit and loss account

for the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Turnover	3	532,188	501,661
Cost of sales		(511,533)	(479,218)
Gross profit		20,655	22,443
Administrative expenses		(9,247)	(8,786)
Operating profit	4	11,408	13,657
Interest receivable and similar income	7	931	351
Interest payable and similar charges	8	-	(560)
Profit before taxation		12,339	13,448
Tax charge	9	(3,035)	(3,579)
Profit for the financial year		9,304	9,869

All amounts relate to continuing activities

Statement of comprehensive income

for the year ended 31 December 2012

There was no other comprehensive income attributable to the shareholders of the company other than the profit for the year ended 31 December 2012 of £9,304,000 (2011 £9,869,000)

Balance sheet

at 31 December 2012

	Note	2012 £'000	2011 £'000
Current assets			
Debtors due within one year	11	93,429	83,602
Deferred tax asset	14	103	103
Cash at bank and in hand		25,065	31,972
Total assets		118,597	115,677
Current liabilities			
Creditors due within one year	12	114,772	105,363
Total current liabilities		114,772	105,363
NET CURRENT ASSETS		3,825	10,315
Provisions	13	521	445
NET ASSETS		3,304	9,869
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account		3,304	9,869
TOTAL SHAREHOLDERS' FUNDS		3,304	9,869

The financial statements were approved by the board of directors and authorised for issue on 23 September 2013 They were signed on its behalf by

D Park

Director

23 September 2013

Statement of changes in equity

for the year ended 31 December 2012 and 31 December 2011

	Share Capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2011	-	20,901	20,901
Profit for the year	-	9,869	9,869
Dividend paid (note 10)	-	(20,901)	(20,901)
At 31 December 2011	-	9,869	9,869
At 1 January 2012	-	9,869	9,869
Profit for the year	-	9,304	9,304
Dividend paid (note 10)	-	(15,869)	(15,869)
At 31 December 2012	-	3,304	3,304

Cash flow statement

for the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Operating activities			
Profit before taxation		12,339	13,448
Adjustments to reconcile profit before taxation to net cash flows from operating activities			
(Increase) in debtors due within one year		(4,958)	(8,349)
Interest receivable and similar income	7	(931)	(351)
Interest payable and similar charges	8	-	560
Increase in creditors due within one year		11,235	42,326
Increase in provisions	13	76	445
Cash generated from operations		17,761	48,079
Tax paid		(9,730)	(3,826)
Net cash flows from operating activities		8,031	44,253
Cash flows from investing activities			
Interest receivable and similar income	7	931	351
Net cash flows from financing activities		931	351
Dividend paid	10	(15,869)	(20,901)
Interest payable and similar charges	8	-	(560)
Net cash flows from financing activities		(15,869)	(21,461)
Net (decrease) / increase in cash and cash equivalents		(6,907)	23,143
Cash and cash equivalents at 1 January		31,972	8,829
Cash and cash equivalents at 31 December		25,065	31,972

Notes to the financial statements

at 31 December 2012

1. Authorisation of financial statements and statement of compliance

The financial statements of GDF SUEZ Sales Limited (the 'company') for the year ended 31 December 2012 were authorised for issue by the board of the directors on 23 September 2013 and the balance sheet was signed on the board's behalf by D Park GDF SUEZ Sales Limited is a private limited company incorporated and domiciled in England & Wales

Basis of Preparation

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council Accordingly, in the year ended 31 December 2012 the company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the Financial reporting Council The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council This transition is not considered to have had a material effect on the financial statements

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets and related party transactions

Where required, equivalent disclosures are given in the group accounts of GDF SUEZ SA The group accounts of GDF SUEZ SA are available to the public and can be obtained as set out in note 17

The principle accounting policies adopted by the company are set out in note 2

The financial statements have been prepared on the historical cost basis Historical cost is generally based on the fair value of the consideration given in exchange for the assets

The company financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the company operates and all values are rounded to the nearest thousand Pounds Sterling (£'000) except when otherwise indicated

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Directors' Report on pages 2 to 4

The directors have considered the going concern basis and concluded that it is appropriate In performing this assessment the directors have considered the forecasts for the company taking account of the uncertain current economic conditions, together with the balance sheet strength of the company which includes cash and short-term deposits of £25,065,000

2. Accounting policies

Standards affecting the financial statements

The following standards issued or amended for the current financial year do not impact the financial statements

- Amendments to IAS 1 Presentation of financial statements (amended June 2011)
- Amendments to IFRS 7 Financial instruments Disclosures

Notes to the financial statements

at 31 December 2012

2. Accounting policies (continued)

Critical Accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Taxation

The company is subject to routine tax audits and also a process whereby tax computations are discussed and agreed with the appropriate authorities Whilst the ultimate outcome of such tax audits and discussions cannot be determined with certainty, management estimates the level of provisions required for both current and deferred tax on the basis of professional advice and the nature of current discussions with the tax authority concerned Tax computations for all periods ending on or before 31 December 2009 have been agreed with the relevant tax authorities

Significant accounting policies

Trade and other debtors

Trade debtors, which generally have 14-30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount Where the time value of money is material, receivables are carried at amortised cost Provision is made when there is objective evidence that the company will not be able to recover balances in full Balances are written off when the probability of recovery is assessed as being remote

Cash and cash equivalents

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts

Notes to the financial statements

at 31 December 2012

2. Accounting policies (continued)

Significant accounting policies (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL

De-recognition of financial assets and liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss

Income Taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity Otherwise income tax is recognised in the income statement

Sales tax

Turnover, expenses and assets are recognised net of the amount of sales tax except

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable
- Debtors and creditors that are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of debtors or creditors in the statement of financial position

Notes to the financial statements

at 31 December 2012

2. Accounting policies (continued)

Significant accounting policies (continued)

Onerous contracts

Provision is made for the net present cost, using a risk-free discount rate, of expected losses on onerous long-term sales contracts The provision is based on the difference between the contracted sales prices and the expected weighted average purchase cost of gas

Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and turnover can be reliably measured Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes The following criteria must also be met before turnover is recognised

Sale of goods

Turnover represents amounts receivable for goods provided in the normal course of business excluding discounts, VAT and other sales related taxes Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on supply of energy to the customer

Interest income

Interest income is recognised as interest accrues using the effective interest method The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount

3. Turnover

All turnover was generated in the UK from the supply and management of natural gas to industrial and commercial customers

An analysis of the company's turnover is as follows

	2012	2011
	£'000	£'000
Sale of goods	532,188	501,661
Interest income	931	351
	533,119	502,012

4. Operating Profit

This is stated after charging

	2012	2011
	£'000	£'000
Impairment loss recognised on debtors	(332)	12

5. Auditor's Remuneration

Fees payable to Deloitte LLP and their associates for the audit of the company's annual accounts were £54,000 (2011 £54,000)

There were no fees payable to Deloitte LLP for non-audit services

Notes to the financial statements

at 31 December 2012

6. Staff costs

Staff who perform services for the company are employed by GDF SUEZ Marketing Limited and their costs are recharged to the company

7. Interest receivable and similar income

	2012 £'000	2011 £'000
Interest receivable from customers for late payment	199	170
Inter company loan interest	182	181
Reversal of provision for interest costs	550	-
	931	351

8. Interest payable and similar charges

	2012 £'000	2011 £'000
Inter company interest payable	-	6
Provision for interest costs	-	554
	-	560

9. Taxation

Tax charge	2012 £'000	2011 £'000
Current income tax:		
UK corporation tax on profits of the year	-	3,682
Group relief payable	2,864	-
Adjustments in respect of previous periods	171	-
Total current income tax	3,035	3,682
Deferred tax:		
Deferred expense /(income) tax relating to the origination and reversal of temporary differences	-	(103)
Tax charge in the profit and loss	3,035	3,579

Notes to the financial statements

at 31 December 2012

9. Taxation (continued)

Reconciliation of tax charge	2012 £'000	2011 £'000
Profit before tax	12,339	13,448
Profit multiplied by standard rate of corporation tax of 24 5% (2011 26 5%)	3,023	3,564
Adjustments in respect of prior periods – current tax	171	-
Adjustments in respect of prior periods – deferred tax	(171)	-
Tax effect of non-deductible or non-taxable items	-	15
Change in deferred tax rate	12	-
Tax charge in the profit and loss	3,035	3,579

Change in Corporation Tax rate

The company earns its profits primarily in the UK Therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 24 5%

The Finance Act 2012, which was substantively enacted on 17 July 2012, included provisions to reduce the rate of corporation tax to 24% with effect from 1 April 2012 and 23% with effect from 1 April 2013

10. Dividends

	2012 £'000	2011 £'000
Amounts recognised as distributions to equity holders in the period		
Final dividend for the year ended 31 December 2011 (equivalent to £9,869,000 per share, 2010 £20,901,000 per share)	9,869	20,901
Interim dividend for the year ended 31 December 2012 (equivalent to £6,000,000 per share, 2011 £ nil per share)	6,000	-
	15,869	20,901
Proposed final dividend for the year ended 31 December 2012 (equivalent to £ nil per share, 2011 £9,869,000 per share)	-	9,869

The proposed final dividend for 2011 was subject to approval by shareholders passing a written resolution and was not included as a liability in the financial statements for 2011

Notes to the financial statements

at 31 December 2012

11. Debtors due within one year

	2012 £'000	2011 £'000
Trade debtors	20,150	26,448
Amounts owed by group undertakings	158	2,355
Amounts owed by fellow subsidiary undertakings	15,264	7,188
Accrued income	52,988	47,611
Current tax assets	4,869	-
	93,429	83,602

12. Creditors due within one year

	2012 £'000	2011 £'000
Trade creditors	2,082	4,760
Amounts owed to group undertakings	13,966	-
Amounts owed to fellow subsidiary undertakings	12,290	21,267
Other creditors	4,863	5,157
Other taxation and social security	19,499	10,885
Accruals	62,072	61,468
Current tax liabilities	-	1,826
	114,772	105,363

13 Provisions

	2012 £'000	2011 £'000
Dilapidation	445	445
Onerous Contracts	76	-
	521	445

	Onerous Contract £'000	Dilapidation £'000	Total £'000
At 1 January	-	445	445
Arising during the year	76	-	76
Utilised during the year	-	-	-
At 31 December	76	445	521

Notes to the financial statements

at 31 December 2012

13. Provisions (continued)

Dilapidation

Provision is made for an estimate of the costs to be incurred in returning leasehold property to its original condition at inception of the lease The utilisation of the provision aligns with the expiry of the City Walk leases in July 2013 and Central Park Lease in September 2013

Onerous contracts

Provision is made for the net present cost, using a risk-free discount rate, of expected losses on onerous long-term sales contracts The provision is based on the difference between the contracted sales prices and the expected weighted average purchase cost of gas

The utilisation of the provision aligns with the expiry of the relevant contracts over the next 2 years

14. Deferred tax

Deferred tax

An analysis of the movements in deferred tax is as follows

	2012 £'000	2011 £'000
Deferred tax asset at 1 January	(103)	-
Deferred tax credit in profit and loss account for the year (note 9)	-	(103)
Deferred tax asset at 31 December	(103)	(103)

Analysed as	2012 £'000	2011 £'000
Other short-term temporary differences	(103)	(103)
	(103)	(103)

The company had deductible temporary differences of £nil (2011 £nil) to be carried forward indefinitely and offset against future taxable profits

Change in Corporation Tax rate

The Finance Act 2012, which was substantively enacted on 17 July 2012, included provisions to reduce the rate of corporation tax to 24% with effect from 1 April 2012 and 23% with effect from 1 April 2013 Accordingly, deferred tax balances have been re-valued to the lower rate of 23%, which has resulted in a debit to the profit & loss account of £12,000

The government has announced that it intends to further reduce the rate of corporation tax to 21% with effect from 1 April 2014 and 20% from 1 April 2015 As this legislation was not substantively enacted by 31 December 2012, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts

The aggregate impact of the proposed reductions from 23% to 20% would reduce the deferred tax asset by approximately £13,000

Notes to the financial statements

at 31 December 2012

15. Share capital

	2012 £	2011 £
Authorised		
100 ordinary shares of £1 each	100	100
Called up, allotted and fully paid		
1 ordinary share of £1 each	1	1

16. Related party transactions

Director's Remuneration

No remuneration was paid by GDF SUEZ Sales Limited to directors during the years ended 31 December 2012 and 31 December 2011 in respect of services to the company Directors who perform services for the company are employed by other group companies

17. Controlling party

The company's immediate parent undertaking is GDF SUEZ Energy UK Limited, a company registered in England and Wales GDF SUEZ Marketing Limited, GDF SUEZ Solutions Limited, GDF SUEZ Shotton Limited, GDF SUEZ Services Limited and International Power Retail Supply Company (UK) Limited are all 100% owned subsidiaries of GDF SUEZ Energy UK Limited All of these fellow subsidiary undertakings are registered in England and Wales and consolidated within the financial statements of GDF SUEZ SA

The company's ultimate parent company and ultimate controlling party is GDF SUEZ SA a company incorporated and registered in France Copies of GDF SUEZ SA's group financial statements can be obtained from GDF SUEZ SA, Tour T1, 1 place Samuel de Champlain, Faubourg de l'Arche, 92930 Paris La Défense, France