

Registration number: 10949355

Centrica Innovations UK Limited

Annual Report and Financial Statements

for the Period from 6 September 2017 to 31 December 2018



Centrica Innovations UK Limited

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Centrica Innovations UK Limited

Strategic Report for the Period from 6 September 2017 to 31 December 2018

The Directors present their Strategic Report for Centrica Innovations UK Limited (the 'Company') for the period from 6 September 2017 to 31 December 2018.

Principal activity

The principal activity of the Company is that of a holding company in investments in new technologies and innovations.

Review of the business

The Company was incorporated on 6 September 2017.

During the period the Company acquired the entire share capital of Io-Tahoe UK Limited.

The financial position of the Company is presented in the Statement of Financial Position on page 10. Total equity as at 31 December 2018 was £1. The result for the period ended 31 December 2018 is £nil.

Principal risks and uncertainties

The principal risk of the business is the carrying value of its equity investments.

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

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.

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 results after tax and these are shown above.

The Directors of the Group use a number of KPIs to monitor progress against the Group's strategy. The development, performance and position of the Group, which includes the Company, are disclosed on pages 18-19 of the Group's Annual Report and Accounts 2018, which does not form part of this report.

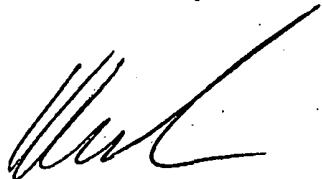
Future developments

The Centrica plc Group (the 'Group') continues to implement the results of the 2015 strategic review. This implementation includes a review of how the Group's businesses are structured and may result in future changes to underlying subsidiary business operations including those of the Company.

Centrica Innovations UK Limited

**Strategic Report for the Period from 6 September 2017 to 31 December 2018
(continued)**

Approved by the Board on 21 May 2019 and signed on its behalf by:



KATE HUDSON

.....
Centrica Secretaries Limited
Company secretary

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

Company registered in England and Wales, No. 10949355
Registered office:
Maidenhead Road
Windsor
Berkshire
SL4 5GD

Centrica Innovations UK Limited

Directors' Report for the Period from 6 September 2017 to 31 December 2018

The Directors present their report and the audited Financial Statements for the period from 6 September 2017 to 31 December 2018.

Directors of the Company

The Directors who held office during the period were as follows:

C J Cameron (appointed 19 December 2017)

S T S Salisbury (appointed 6 September 2017)

J S Tudor (appointed 1 November 2017)

Results and dividends

The results of the Company are set out on page 8. The result for the financial period ended 31 December 2018 is £nil. The financial position of the Company is presented in the Statement of Financial Position on page 10. Total equity at 31 December 2018 was £1.

No dividend was paid during the financial period and the Directors do not recommend the payment of a final dividend.

Financial risk management

The principal risk of the business is the carrying value of its equity investments.

Exposure to counterparty credit risk and liquidity risk arise in the normal course of the Company's business and are managed within parameters set by the Directors. Exposure to credit risk is limited predominantly to exposures with other Group companies.

Objectives and policies

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

Future developments

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

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' liabilities

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

Events after the reporting period

Events after the reporting period are detailed in the Strategic Report on Page 1.

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 Innovations UK Limited

Directors' Report for the Period from 6 September 2017 to 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101, has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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 21 May 2019 and signed on its behalf by:



KATE HUTSON

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

Company registered in England and Wales, No. 10949355

Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

Centrica Innovations UK Limited

Independent Auditors' Report to the Members of Centrica Innovations UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Centrica Innovations UK Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period 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 9.

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

Basis for opinion

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

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

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.

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.

Centrica Innovations UK Limited

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

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 auditors' 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' 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.

Centrica Innovations UK Limited

**Independent Auditors' Report to the Members of Centrica Innovations UK Limited
(continued)**

D. Winstone

.....
Daryl Winstone (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom

21 May 2019

Centrica Innovations UK Limited

Income Statement for the Period from 6 September 2017 to 31 December 2018

	6 September 2017 to 31 December 2018
	£
Revenue	-
Operating result	-
Result before income taxation	-
Result for the period	-

The notes on pages 12 to 16 form an integral part of these financial statements.

Centrica Innovations UK Limited

Statement of Comprehensive Income for the Period from 6 September 2017 to 31 December 2018

	6 September 2017 to 31 December 2018
	Note £
Result for the period	-
Total comprehensive income for the period	-

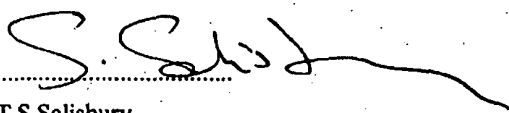
The notes on pages 12 to 16 form an integral part of these financial statements.

Centrica Innovations UK Limited

Statement of Financial Position as at 31 December 2018

		31 December 2018
	Note	£
Non-current assets		
Investments	5	<u>1</u>
Current assets		
Trade and other receivables	6	<u>293,701</u>
Total assets		<u>293,702</u>
Current liabilities		
Trade and other payables	7	<u>(293,701)</u>
Total assets less current liabilities		<u>(293,701)</u>
Net assets		<u>1</u>
Equity		
Called up share capital	8	<u>1</u>
Total equity		<u>1</u>

The financial statements on pages 8 to 16 were approved and authorised for issue by the Board of Directors on 21 May 2019 and signed on its behalf by:


.....
S T S Salisbury

Director

Company number 10949355

The notes on pages 12 to 16 form an integral part of these financial statements.

Centrica Innovations UK Limited

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

	Called up share capital £	Retained earnings £	Total equity £
At 6 September 2017	-	-	-
Issue of shares	1	-	1
Profit for the period and other comprehensive income	-	-	-
At 31 December 2018	<u>1</u>	<u>-</u>	<u>1</u>

The notes on pages 12 to 16 form an integral part of these financial statements.

Centrica Innovations UK Limited

Notes to the Financial Statements for the Period from 6 September 2017 to 31 December 2018

1 General information

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

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

Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
England and Wales

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

2 Accounting policies

Basis of preparation

These financial statements were 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.

First time adoption of the following International Financial Reporting Standards IFRS 9: 'Financial Instruments' and IFRS 15: 'Revenue from contracts with customers' will occur 1 January 2019 and are not reflected in these financial statements.

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.

Measurement convention

The Company Financial Statements have been prepared on the historical cost basis

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 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.

Critical accounting judgements and key sources of estimation uncertainty

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

Centrica Innovations UK Limited

Notes to the Financial Statements for the Period from 6 September 2017 to 31 December 2018 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

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;
- disclosures in respect of related parties transactions with wholly-owned subsidiaries in a group;
- disclosures in respect of the compensation of key management personnel; and
- disclosures in respect of the capital management

As the consolidated financial statements of the Group, which are available from its registered office, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- certain disclosures required by IFRS 13 'Fair value measurement' and the disclosures required by IFRS 7 'Financial instrument: Disclosures' have not been provided apart from those which are relevant for the financial instruments which are held at fair value;
- disclosures of the net cash-flows attributable to the operating, investing and financing activities of discontinued operations.

Centrica Innovations UK Limited

Notes to the Financial Statements for the Period from 6 September 2017 to 31 December 2018 (continued)

2 Accounting policies (continued)

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Investments in subsidiaries

Fixed asset investments in subsidiaries are held at cost in accordance with IAS 27, less any provision for impairment as necessary.

Foreign currencies

The Company's functional and presentational currency is pounds sterling. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at closing rates of exchange. Exchange differences on monetary assets and liabilities are taken to the Income Statement.

Trade and other receivables

Trade receivables are initially recognised at fair value, which is usually the original invoice amount, and are subsequently held at amortised cost using the effective interest method less an allowance for impairment losses. Balances are written off when recoverability is assessed as being remote. If collection is due in one year or less, receivables are classified as current assets. If not they are presented as non-current assets.

Trade and other payables

Trade payables are 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.

Impairment

The carrying values of investments in subsidiary undertakings 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 investment in a subsidiary undertaking 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. Receivables from Group undertakings are compared to their recoverable amount, which is also assessed using the same estimated discounted future cash flow for each undertaking as described above.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

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 Innovations UK Limited

Notes to the Financial Statements for the Period from 6 September 2017 to 31 December 2018 (continued)

3 Employees' costs

The Company had no employees during the period.

The Directors were remunerated as employees of the Centrica plc Group and did not receive any remuneration, from any source, specifically for their services as Directors of the Company during the financial period.

4 Auditors' remuneration

Auditors' remuneration of £7,000 relates to fees for the audit of the Financial Statements of the Company and is borne by Centrica plc.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group Financial accounts of its ultimate parent, Centrica plc.

5 Investments in subsidiaries, associates and joint ventures

Investments classified as non-current

	Shares in Group undertakings (subsidiaries) £
<i>a) Equity Investments</i>	
Cost	
Additions	1
At 31 December 2018	1
Net book value	
At 31 December 2018	1

Name	Principal activity	Country of incorporation	Registered address key ⁽ⁱ⁾	Class of shares held	Direct investment and voting rights (%)	Indirect interest and voting rights (%)
Io-Tahoe UK Ltd	Smart data discovery solutions	United Kingdom	A	Ordinary shares	100%	-

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

All companies principally operate within their country of incorporation

List of registered addresses

Registered address key	Address
A	Millstream, Maidenhead Road, Windsor, SL4 5GD, United Kingdom

Centrica Innovations UK Limited

Notes to the Financial Statements for the Period from 6 September 2017 to 31 December 2018 (continued)

6 Trade and other receivables

	2018
	Current
	£
Amounts owed by Group undertakings	<u>293,701</u>

Amounts due from Group undertakings are interest-free, unsecured and repayable on demand.

7 Trade and other payables

	2018
	Current
	£
Amounts owed to Group undertakings	<u>293,701</u>

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

8 Called up share capital

Allotted, called up and fully paid shares

	31 December	
	2018	
	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

New shares allotted

During the period 1 Ordinary share having an aggregate nominal value of £1 was issued for an aggregate consideration of £1.

9 Parent and ultimate parent undertaking

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

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

The address of Centrica plc is Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD.