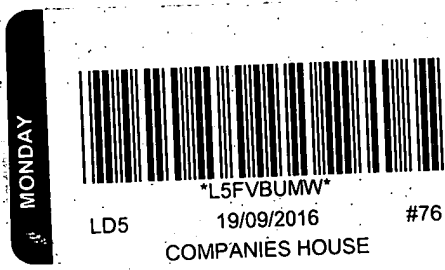


Registered No: SC436640

**Centrica Finance (Scotland) Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2015**



**Centrica Finance (Scotland) Limited**

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The Directors present the Strategic Report for Centrica Finance (Scotland) Limited ("the Company") for the year ended 31 December 2015.

**Principal activities**

The Company is general partner to the limited partnerships and limited liability partnerships that are part of the Centrica plc Group's ("the Group") Asset Backed Contribution ("ABC") structure. This structure allowed the Group to significantly increase funding to the Group's pension schemes, secured on Group assets.

**Review of business**

The ABC structure provides funding to the Group's pension schemes for defined periods of up to 15 years.

The Company's Financial Statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosures Framework ('FRS 101'). The Company's transition date to FRS 101 was 1 January 2014 and comparatives have been restated accordingly. For further details of the transition to FRS 101 and the effect of the change on the Company's financial position, see note 1 and note 11.

**Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to limited risks. The key activities are contracted for and certain. The principal risks and uncertainties for the Group, which include those of the Company, are discussed on pages 38 - 42 of the Group's 2015 Annual Report and Accounts which does not form part of this report. Copies of the Annual Report of Centrica plc may be obtained from [www.centrica.com](http://www.centrica.com).

**British exit from the European Union**

In June 2016, a UK referendum resulted in a vote for the country to leave the European Union and the resultant uncertainty adds to the challenges for UK businesses in all sectors. This uncertainty may lead to volatility in markets with potential fluctuations in foreign exchange rates; interest rates and commodity prices. Sensitivity analysis associated with the Group's exposure to currency, interest rate and commodity price risk was included in note S3 of the Group's consolidated Financial Statements for the year ended 31 December 2015.

Overall, management assesses the direct impacts on the Company to be minimal in the short term. The Company does not export products or services to EU countries nor does it have material exposure to currency risks.

**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. Although the Company made a loss in the year this is in line with expectations. The Company has the financial support of the ultimate parent company, Centrica plc.

**Future developments**

The Directors intend that the Company will act as an investment holding company for the foreseeable future.

This Strategic Report was approved by the Board on 16 September 2016.



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

Company Secretary

16 September 2016

Company registered in Scotland, Registered Number SC436640

Registered office:  
5<sup>th</sup> Floor IQ Building  
15 Justice Mill Lane  
Aberdeen  
AB11 6EQ

The Directors present their report and the audited financial statements of Centrica Finance (Scotland) Limited for the year ended 31 December 2015.

**Future developments**

Future developments are discussed in the Strategic Report. Refer to page 1.

**Results**

The loss on ordinary activities after taxation for the year ended 31 December 2015 is £4,130,000 (2014: loss of £987,000).

The Company did not pay an interim dividend during the year. The Directors do not recommend the payment of a final dividend.

**Financial position**

The financial position of the Company is presented in the Statement of Financial Position on page 7. Total equity at 31 December 2015 was £662,206,000 (2014: £666,336,000).

**Going concern**

The financial statements have been prepared on a going concern basis as Centrica plc, the ultimate parent company, intends to support the Company to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the financial statements were authorised.

**Directors**

The following served as Directors during the year and up to the date of signing of the financial statements:

J Bell (resigned 15/04/2016)  
A Page (appointed 15/04/2016)  
P Tanner

**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.

**Financial risk management**

Details of the Group's financial risk management policy are set out on pages 145 - 150 of the Group's 2015 Annual Report and Accounts.

The Group's Treasury Function also seeks to limit counter-party risk by conducting most of its banking and dealing activities with a limited number of major international banks, where status is kept under review.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report, 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 period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

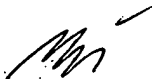
**Disclosure of information to auditors**

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 a Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**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 16 September 2016.



By order of the Board for and on behalf of Centrica Secretaries Limited  
Company Secretary  
16 September 2016

Company registered in Scotland, Registered Number SC436640

Registered office:  
5<sup>th</sup> Floor IQ Building  
15 Justice Mill Lane  
Aberdeen  
AB11 6EQ

**Report on the financial statements**

**Our opinion**

In our opinion, Centrica Finance (Scotland) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its loss 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.

**What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Income Statement and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity as at 31 December 2015; 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 the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

**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 to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not 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, 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) ("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.

**What an audit of financial statements involves**

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

Alan Walsh (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
16 September 2016

Centrica Finance (Scotland) Limited

Income Statement for the year ended 31 December 2015

	Notes	2015 £000	2014 £000
Income from Group undertakings	4	15	15
<b>Profit on ordinary activities before taxation</b>		<b>15</b>	<b>15</b>
Tax on profit on ordinary activities	5	(4,145)	(1,002)
<b>Loss for the financial year</b>		<b>(4,130)</b>	<b>(987)</b>

The results stated above are all derived from continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

Statement of Comprehensive Income for the year ended 31 December 2015

	2015 £000	2014 £000
Loss for the financial year	(4,130)	(987)
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>	<b>(4,130)</b>	<b>(987)</b>

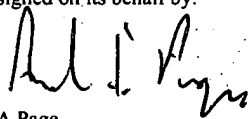


Centrica Finance (Scotland) Limited

Statement of Financial Position as at 31 December 2015

	Notes	2015 £000	2014 £000
<b>Non-current assets</b>			
Investments	6	669,421	669,421
Deferred tax asset	5	36,142	26,362
		<u>705,563</u>	<u>695,783</u>
<b>Current assets</b>			
Amounts owed by Group undertakings	7	45	30
<b>Current liabilities</b>			
Amounts owed to Group undertakings	8	(43,402)	(29,477)
<b>Net current liabilities</b>		<u>(43,357)</u>	<u>(29,447)</u>
<b>Net assets</b>		<u>662,206</u>	<u>666,336</u>
<b>Equity</b>			
Called up share capital	9	669,420	669,420
Retained earnings		(7,214)	(3,084)
<b>Total equity</b>		<u>662,206</u>	<u>666,336</u>

The financial statements on pages 6 to 13 were approved and authorised for issue by the Board of Directors on 16 September 2016 and were signed on its behalf by:



A Page  
Director

Registered Number SC436640

The notes on pages 9 to 13 form part of these financial statements.

Centrica Finance (Scotland) Limited

Statement of Changes in Equity for the year ended 31 December 2015

	Called up share capital £000	Retained earnings £000	Total equity £000
At 1 January 2014	669,420	(2,097)	667,323
Loss for the year and total comprehensive loss	-	(987)	(987)
At 31 December 2014	669,420	(3,084)	666,336
At 1 January 2015	669,420	(3,084)	666,336
Loss for the year and total comprehensive loss	-	(4,130)	(4,130)
At 31 December 2015	669,420	(7,214)	662,206

## 1. Accounting policies

### Basis of preparation

The Company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements as it is a wholly-owned subsidiary of Centrica plc. These financial statements present information about the Company as an individual undertaking and not about its group, and have been prepared on a going concern basis, as described in the Directors' Report.

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has effected the reported financial position, financial performance and cash flows of the Company is provided in note 11.

IFRS 1 grants certain exemptions from the full requirements of Adopted IFRSs in the transition period. The following exemption has been taken in these financial statements:

- investments in subsidiaries, associates and joint ventures – on transition to FRS 101, investments in subsidiaries are measured at deemed cost, being the previous GAAP carrying value of the investment.

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

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of related parties transactions with wholly-owned subsidiaries;
- disclosures in respect of capital management; and,
- the effects of new but not yet effective IFRSs.

Note that the Company has early adopted the following amendments to FRS 101 (effective for periods beginning on or after 1 January 2016) in these financial statements:

- presentation of IAS format financial statements;
- exemption from the presentation of a third balance sheet (being the opening balance sheet of the Company at the date of application of FRS 101).

As the consolidated Financial Statements of Centrica plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosure:

- 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.

These financial statements are presented in pound sterling (with all values rounded to the nearest thousand pounds ("£000") except when otherwise indicated), which is also the functional currency of the Company.

The financial statements are prepared on the historical cost basis.

### Going concern

The financial statements have been prepared on a going concern basis as Centrica plc, the ultimate parent company, intends to support the Company to ensure it can meet its obligations as they fall due. The Directors have received confirmation that Centrica plc intends to support the Company for at least one year after the financial statements were authorised.

### Critical accounting judgements and estimates

#### Investments in partnership undertakings

The Company does not deem its investments in partnership undertakings as well as related receivables to be impaired and supports this judgment through its impairment review process.

#### Principal accounting policies

##### Investments in partnership undertakings

Fixed assets investments in partnership undertakings are held at deemed cost in accordance with IAS 27, less any provision for impairment as necessary.

**1. Accounting policies (continued)****Financial assets and liabilities**

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

**(a) Amounts due from Group undertakings**

Amounts due from Group undertakings are initially recognised at fair value, and are subsequently held at amortised cost using the effective interest rate ('EIR') (although in practice the discounting is often immaterial) less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the Company may not be able to collect the receivable. Balances are written off when recoverability is assessed as being remote. If collection is due in one year or less receivables are classified as current assets. If not they are presented as non-current assets.

**(b) Amounts payable to Group undertakings**

Amounts payable to Group undertakings are initially recognised at fair value, and are subsequently held at amortised cost using the EIR 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.

**(c) 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.

**Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Tax is recognised in the income statement, except to the extent that it relates to items recognised in equity. In this case, the tax is recognised in equity.

Deferred tax is recognised in respect of all temporary differences identified at the balance sheet date, except to the extent that the deferred tax arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit and loss. Temporary differences are differences between the carrying amount of the Company's assets and liabilities and their tax base.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the future and there is sufficient taxable profit available against which the temporary differences can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement using tax rates that have been enacted or substantively enacted at the balance sheet date.

**2. Directors and employees**

The emoluments of both 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.

The Company had no employees during the year (2014: none).

**3. Auditors' remuneration**

Auditors' remuneration totalling £5,000 (2014: £5,000) relates to fees for the audit of the statutory financial statements of the Company. The auditors' remuneration of £5,000 (2014: £5,000) is borne by Centrica plc.

**4. Income from Group undertakings**

	2015	2014
	£000	£000
Income from Group undertakings	<u>15</u>	<u>15</u>

## 5. Tax on-profit on ordinary activities

	2015 £000	2014 £000
<b>(a) Analysis of tax charge in the year</b>		
<b>Current tax</b>		
United Kingdom corporation tax at 20.25% (2014: 21.49%)	13,968	14,383
Adjustments in respect of prior years	(43)	-
<b>Total current tax</b>	<u>13,925</u>	<u>14,383</u>
<b>Deferred tax</b>		
Current year	(13,966)	(14,380)
Effect of changes in tax rates	4,186	999
<b>Total deferred tax</b>	<u>(9,780)</u>	<u>(13,381)</u>
<b>Total tax on profit</b>	<u>4,145</u>	<u>1,002</u>

**(b) Factors affecting the tax charge for the period**

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

	2015 £000	2014 £000
Profit on ordinary activities before taxation	<u>15</u>	<u>15</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 20.25% (2014: 21.49%)	3	3
Effects of:		
Adjustment in respect of prior years	(43)	-
Effect of changes in tax rates	4,185	999
Current tax charge for the period	<u>4,145</u>	<u>1,002</u>

The main rate of corporation tax was reduced to 20% from 1 April 2015. Further reductions were enacted by Finance (No.2) Act 2015 to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. These enacted reduced rates of corporation tax have been reflected within these financial statements. The Chancellor of the Exchequer has announced a further reduction in the rate, to 17% from 1 April 2020, which is expected to be substantively enacted as part of the Summer Finance Bill 2016 and is therefore not reflected in these financial statements. As such, the previously enacted rate of 18% from 1 April 2020 will not come into effect. The impact of the reduction in the corporate tax rate to 17% on the financial statements is not expected to be significant.

**(c) Deferred tax**

The movement on deferred tax is analysed as follows:

	2015 £000	2014 £000
On 1 January	26,362	12,981
Credit to profit and loss account	9,780	13,381
<b>As at 31 December</b>	<u>36,142</u>	<u>26,362</u>

**6. Investments**

Investment cost in partnership undertakings

Cost and net book value

£000

At 1 January and 31 December 2015

669,421

The Directors believe that the book value of investments is supported by the value of the underlying assets. Investments in partnership undertakings represent the Companies interests in the following:

Partnership undertaking	Country of incorporation	Registered office	Principle activity
Centrica Finance Limited Partnership; Finance Scotland CEPS Limited Partnership; Finance Scotland CPP Limited Partnership; and, Finance Scotland CPS Limited Partnership	Scotland	5 <sup>th</sup> Floor IQ Building, 15 Justice Mill Lane, Aberdeen, Scotland, AB11 6EQ	Group financing
CFCEPS LLP; CFCPP LLP; and, CFCPS LLP	England and Wales	Millstream, Maidenhead Road, Windsor, England, SL4 5GD	Group financing

The results of all undertakings are reported in the consolidated financial statements of Centrica plc.

**7. Amounts owed by Group undertakings**

	2015	2014
	£000	£000
Amounts owed by Group undertakings	<u>45</u>	<u>30</u>

Amounts owed by Group undertakings are unsecured and interest free repayable on demand.

**8. Amounts owed to Group undertakings**

	2015	2014
	£000	£000
Amounts owed to Group undertakings	<u>43,402</u>	<u>29,477</u>

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

**9. Called up share capital**

	2015	2014
	£000	£000
Authorised, issued, allotted and fully paid: 669,420,001 (2014: 669,420,001) ordinary shares of £1 each	<u>669,420</u>	<u>669,420</u>

#### 10. Ultimate parent undertaking

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

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

#### 11. Transition to FRS 101

As stated in the 'basis of preparation' note, these are the Company's first Financial Statements prepared in accordance with FRS 101 (new UK GAAP). The accounting policies set out in the policies note have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the 'Company's date of transition').

In preparing its FRS 101 financial statements the Company has not been required to adjust any amounts reported previously in its financial statements prepared in accordance with its old basis of accounting (old UK GAAP).

#### 12. Post balance sheet events

##### British exit from the European Union

In June 2016, a UK referendum resulted in a vote for the country to leave the European Union and the resultant uncertainty adds to the challenges for UK businesses in all sectors. This uncertainty may lead to volatility in markets with potential fluctuations in foreign exchange rates, interest rates and commodity prices. Sensitivity analysis associated with the Group's exposure to currency, interest rate and commodity price risk was included in note S3 of the Group's consolidated Financial Statements for the year ended 31 December 2015.

Overall, management assesses the direct impacts on the Company to be minimal in the short term. The Company does not export products or services to EU countries nor does it have material exposure to currency risks.