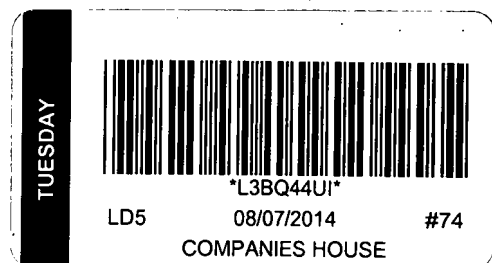


Registered Number: 03360122

**Dyno-Plumbing Limited**  
**Annual report and Financial Statements**  
**for the year ended 31 December 2013**



## **Dyno-Plumbing Limited**

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

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## **Dyno-Plumbing Limited**

### **Strategic report for the year ended 31 December 2013**

The Directors present the strategic report of Dyno-Plumbing Limited (the "Company") for the year ended 31 December 2013.

#### **Business review**

As the business activities of the Company have been transferred to Dyno-Rod Limited, the Company did not trade during the financial year ended 31 December 2013 and is expected to remain non-trading for the foreseeable future.

#### **Results**

The results of the Company are set out on page 6. The profit for the financial year amounted to nil (2012: £6,229,393).

#### **Financial position**

As at 31 December 2013, the Company had net assets of £100 (2012: £100). The detail on the balance sheet is on page 7.

#### **Principal risks and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of Centrica plc (the "Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the Group which include those of the Company are discussed on pages 44-50 of the 2013 Annual Report and Accounts of the Group which does not form part of this report.

#### **Key performance indicators (KPIs)**

The Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business.

This Strategic report was approved by the Board on 25<sup>th</sup> June 2014.



For and on behalf of Centrica Secretaries Limited

#### **Company Secretary**

Company registered in England and Wales  
Registered number: 03360122

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

## **Dyno-Plumbing Limited**

### **Directors' report for the year ended 31 December 2013**

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

#### **Future developments**

As the business activities of the Company have been transferred to Dyno-Rod Limited, the Company did not trade during the financial year ended 31 December 2013 and is expected to remain non-trading for the foreseeable future.

#### **Dividends**

No dividends were paid during the financial year ended 31 December 2013 (2012: £12,692,887).

#### **Financial risk management**

The Directors do not consider that the Company has any significant financial risks.

#### **Directors**

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

N Carroll	(Appointed 21 October 2013)
Centrica Directors Limited	(Appointed 21 October 2013)
O M Smedley	(Resigned 21 October 2013)
D Alexander	(Resigned 21 October 2013)
D Ratcliffe	(Resigned 21 October 2013)

#### **Political donations**

The Company made no political donations during the year (2012: nil).

#### **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.

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

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

**Dyno-Plumbing Limited**

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

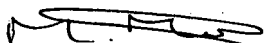
**Disclosure of information to auditors**

Each director of the Company who held office at the date of approval of this Directors' report confirm that so far as they are aware, there is no relevant information that has not been disclosed to the Company's auditors and each of the directors have taken all steps that they ought to have taken to make them 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 Directors' report was approved by the Board on 25<sup>th</sup> June 2014.



For and on behalf of Centrica Secretaries Limited

**Company Secretary**

Company registered in England and Wales

Registered number: 03360122

Registered office:

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

## **Dyno-Plumbing Limited**

### **Independent auditors' report to the members of Dyno-Plumbing Limited**

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

##### **Our Opinion**

In our opinion the financial statements, defined below:

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

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

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

The financial statements, which are prepared by Dyno-Plumbing Limited comprise:

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

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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

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

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

In addition, we read all the financial and non-financial information in the Strategic Report, Directors' 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.

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

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

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

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

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

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

We have no exceptions to report arising from this responsibility.

## **Dyno-Plumbing Limited**

### **Independent auditors' report to the members of Dyno-Plumbing Limited (continued)**

#### **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 set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Charles Bowman (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

25<sup>th</sup> June 2014

## Dyno-Plumbing Limited

### Profit and loss account for the year ended 31 December 2013

	Note	31 December 2013 £	31 December 2012 £
<b>Turnover</b>	2	-	37,597,498
Cost of sales		-	(28,036,860)
<b>Gross result/profit</b>		-	9,560,638
Administrative expenses		-	(4,336,124)
Other operating income		-	348,408
<b>Operating result/profit</b>	3	-	5,572,922
Profit and loss on disposal of operations	6	-	654,924
<b>Result/profit on ordinary activities before taxation</b>		-	6,227,846
Tax on result/profit on ordinary activities	7	-	1,547
<b>Result/profit for the financial year</b>		-	6,229,393

All amounts relate to discontinued operations.

There were no recognised gains or losses other than the result/profit for the financial year and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the result/profit on ordinary activities before taxation and the result/profit for the year stated above and their historical cost equivalents.

The notes on pages 8 to 12 form part of these financial statements.



## Dyno-Plumbing Limited

### Balance sheet as at 31 December 2013

	Note	31 December 2013 £	31 December 2012 £
<b>Current assets</b>			
Debtors	8	100	100
<b>Net current assets / Net assets</b>		<u>100</u>	<u>100</u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
<b>Total shareholders' funds</b>	10	<u>100</u>	<u>100</u>

The financial statements on pages 6 to 7 were approved and authorised for issue by the Board of Directors on 25<sup>th</sup> June 2014 and were signed on its behalf by:



N Carroll  
Director

Company registered in England and Wales  
Registered number: 03360122

The notes on pages 8 to 12 form part of these financial statements.

## **Dyno-Plumbing Limited**

### **Notes to the financial statements for the year ended 31 December 2013**

#### **1. Principal accounting policies**

##### **Basis of preparation**

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

##### **Cash flow statement and related party disclosures**

The Company is a wholly-owned subsidiary undertaking of Dyno-Rod Limited, which is ultimately a wholly-owned subsidiary undertaking of Centrica plc. The Company has taken advantage of the exemptions within FRS 1 'Cash Flow Statements', from presenting a cash flow statement; and within FRS 8 'Related Party Disclosures', from disclosing transactions with other Group companies.

##### **Turnover**

Turnover represents the total amount billed in respect of work carried out by franchisees, contractors and direct sales through the Company owned operation during the year and licence fees from franchisees, excluding value added tax. Income is recognised on completion of the work being performed, net of rebates, and licence fees are recognised in the period in which the licence agreement is signed.

##### **Tangible fixed assets and depreciation**

Fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its estimated useful life as follows:

Motor vehicles	over 4 years
Plant Machinery, furniture and office equipment	over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

##### **Deferred taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### **Pensions**

The Company operates a defined contribution pension scheme, the assets of which are held in a separately administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

## Dyno-Plumbing Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 2. Turnover

Turnover arises wholly within the United Kingdom and Ireland. An analysis of turnover by activity is as follows:

	2013	2012
	£	£
Franchise revenue	-	30,183,051
Company managed operations	-	7,414,447
	<u>-</u>	<u>37,597,498</u>

#### 3. Operating result/profit

This is stated after charging / (crediting):

	2013	2012
	£	£
Auditors' remuneration - statutory audit	-	27,000
Depreciation of owned tangible fixed assets	-	12,177
Other operating income - telecommunications recharges to franchisees	-	(348,408)
	<u>-</u>	<u>(348,408)</u>

Auditors' remuneration for the statutory audit for the year ended 31 December 2013 of £4,000 was borne by Dyno-Rod Limited and not recharged to the Company.

Auditors' remuneration relates to fees for the audit of the UK GAAP financial statements of the Company and includes fees in relation to the audit of the IFRS group consolidation schedules, for the purposes of the Centrica Group audit, which also contribute to the audit of the Company.

#### 4. Staff costs

	2013	2012
	£	£
Wages and salaries	-	3,833,316
Social security costs	-	370,055
Other pension costs	-	44,053
	<u>-</u>	<u>4,247,424</u>

Wages and salaries including restructuring / other termination payments.

Other pension costs include recharges in respect of employees who are members of one of the Group's defined benefit pension schemes, who work for the Company, but are employed by another Group company.

The average monthly number of employees, including directors, during the year was as follows:

	2013	2012
	No.	No.
Engineering	-	107
Office and management	-	44
	<u>-</u>	<u>151</u>

## Dyno-Plumbing Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 5. Directors Emoluments

	Year ended 31 December 2013 £	Year ended 31 December 2012 £
The aggregate emoluments paid to directors in respect of their qualifying services	-	83,535
The aggregate value of company contributions paid to a pension scheme in respect of directors' qualifying services	-	3,836
	<u>-</u>	<u>3,836</u>
	No.	No.
Number of directors to whom retirement benefits are accruing under a defined benefit pension schemes.	-	2
Number of directors to whom retirement benefits are accruing under money purchase pension schemes.	-	3
Number of directors whom received shares in the ultimate parent company in respect of their qualifying services under a long-term incentive scheme.	-	2
Number of directors whom exercised share options relating to the ultimate parent company.	-	1
	<u>-</u>	<u>1</u>

#### 6. Profit and loss on disposal of an operation

	2013 £	2012 £
Loss on transfer of net assets to Dyno-Rod Limited	-	(21,005)
Profit on sale of company managed operations	-	675,929
	<u>-</u>	<u>654,924</u>

#### 7. Tax on result/profit on ordinary activities

	2013 £	2012 £
<b>(a) Current tax credit</b>		
Current tax on income for the year at 23.25% (2012: 24.5%)	-	-
<b>Total current tax (note 7 (b))</b>	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	(1,516)
Effect of change to deferred tax rate	-	(31)
<b>Total deferred tax</b>	<u>-</u>	<u>(1,547)</u>
<b>Tax on result/profit on ordinary activities</b>	<u>-</u>	<u>(1,547)</u>

## Dyno-Plumbing Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 7. Tax on results/profit on ordinary activities (continued)

##### (b) Factors affecting current tax credit

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)

	2013	2012
	£	£
Result/profit on ordinary activities before taxation	-	6,227,846
Tax on result/profit on ordinary activities at standard UK corporation tax rate of 23.25% (2012: 24.5%)	-	1,525,822
<i>Effects of:</i>		
Capital allowances for period in excess of depreciation	-	(439)
Group relief not paid for	-	(1,359,010)
UK:UK transfer pricing adjustment	-	(6,166)
Expenses not deductible for tax purposes	-	5,396
Income not taxable for tax purposes	-	(165,603)
<b>Current tax charge/(credit) for the year (note 7 (a))</b>	<b>-</b>	<b>-</b>

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

#### 8. Debtors

	2013	2012
	£	£
Amounts owed by group undertakings	100	100
	<u>100</u>	<u>100</u>

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

#### 9. Called up share capital

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

#### 10. Reconciliation of movements in shareholders' funds and movements on reserves

	Called up share capital	Profit and loss account	Total shareholders' funds
	£	£	£
At 1 January 2013	100	-	100
Result for the financial year	-	-	-
<b>At 31 December 2013</b>	<u>100</u>	<u>-</u>	<u>100</u>
At 1 January 2012	100	6,463,494	6,463,594
Profit for the financial year	-	6,229,393	6,229,393
Dividends paid	-	(12,692,887)	(12,692,887)
<b>At 31 December 2012</b>	<u>100</u>	<u>-</u>	<u>100</u>

## Dyno-Plumbing Limited

### Notes to the financial statements for the year ended 31 December 2013 (continued)

#### 11. Dividends paid

	2013 £	2012 £
Dividends paid - £126,928.87 per ordinary share	-	12,692,887

The directors paid no dividends during the financial year ended 31 December 2013 (2012: £12,692,887).

#### 12. Ultimate parent and controlling company

The immediate parent undertaking is Dyno-Rod Limited, a wholly owned subsidiary of British Gas Services Limited (BGS). BGS is an indirect and wholly owned subsidiary undertaking of Centrica plc, a Company registered in England and Wales. Centrica plc is the ultimate parent undertaking and ultimate controlling party and is the only company to consolidate the financial statements of the Company. Copies of the Annual Report and Accounts of Centrica plc, may be obtained from [www.centrica.com](http://www.centrica.com) or from the Company Secretary, Centrica plc, Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD.