

Registration number: 07139120

Centrica Ignite GP Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2020



Centrica Ignite GP Limited

Contents

	Page(s)
Strategic Report	1 to 2
Directors' Report	3 to 6
Statement of Directors' Responsibilities	5
Independent Auditors' Report	7 to 10
Income Statement	11
Statement of Comprehensive Income	12
Statement of Financial Position	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 to 20

Centrica Ignite GP Limited

Strategic Report for the Year Ended 31 December 2020

The Directors present their Strategic Report for Centrica Ignite GP Limited (the 'Company') for the year ended 31 December 2020.

Principal activity

The principal activity of the Company is a general partner in the Ignite Social Enterprise LP.

Review of the business

The financial position of the Company is presented in the Statement of Financial Position on page 13. Total equity as at 31 December 2020 was £1,163 (2019: £1,163). The profit for the financial year ended 31 December 2020 was £nil (2019: £nil).

Principal risks and uncertainties

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 risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 34-42 of the Group's Annual Report and Accounts 2020, which does not form part of this report.

The principal risk of the business is limited to the investment in the Ignite Social Enterprise LP ('the Partnership'), which is controlled by the process operated by the Company. The principal business activities of the Partnership are the provision of an investment fund for social enterprises with a focus on energy related activities.

Exit from the European Union

The UK and the European Union agreed a new trade deal which came into effect on the 31 December 2020 at 23:00 GMT. The UK's exit from 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. 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.

Centrica Ignite GP Limited

Strategic Report for the Year Ended 31 December 2020 (continued)

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 Company are net assets and profit 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 12-13 of the Group's Annual Report and Accounts 2020, which does not form part of this report. The results of the Company are disclosed in the Directors' Report on page 3.

Future developments

Whilst the Company continues to be a general partner in the Ignite Social Enterprise LP (ISE LP), it is the intention to complete the transfer all investments out of ISE LP during 2021, with a view to closing the LP entity.

Approved by the Board on ..8... June 2021 and signed on its behalf by:



Samantha Hood

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

Company registered in England and Wales, No. 07139120

Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
United Kingdom

Centrica Ignite GP Limited

Directors' Report for the Year Ended 31 December 2020

The Directors present their report and the audited financial statements for the year ended 31 December 2020.

Directors of the Company

The Directors of the Company, who were in office during the year and up to the date of signing the financial statements were as follows:

J Shedden

S Sambhi (resigned 11 June 2020)

J S Tudor (resigned 3 July 2020)

J S Bessell (appointed 5 August 2020)

Results and dividends

The results of the Company are set out on page 11. The profit for the financial year ended 31 December 2020 is £nil (2019: profit £nil).

The Company did not pay an interim dividend during the year (2019: £nil) and the Directors do not recommend the payment of a final dividend (2019: £nil).

Financial risk management

The principal risk of the business is limited to the investment in the partnership, which is controlled by the process operated by the Company.

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

Financial risk management policy

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 2.

The Group expects ongoing impacts from COVID-19 in 2021 and 2022, including lower energy demand and incremental bad debt costs as the economy recovers from the pandemic. The Group has substantial liquidity available to mitigate these adverse impacts with undrawn committed facilities as at 31 December 2020 of £3.6 billion, before the receipt of proceeds of \$3.625 billion on 5 January 2021 from the sale of Direct Energy to NRG Energy. The Group going concern assessment as at 31 December 2020 included various sensitivities including the impacts of a 30% decline in commodity prices, credit rating downgrade and external risks of COVID-19 including lower demand for products, lower energy consumption and higher bad debt costs, as well as mitigating actions to maintain liquidity. The Centrica plc Board remains committed to maintaining a strong balance sheet. After Centrica's preliminary results announcement in February neither credit rating agency changed their rating with S&P affirming a BBB (negative) credit rating on 26 February and Moody's note on the same date also leaving the Baa2 (negative) rating unchanged.

On the basis of the enquiries made, and the fact that Centrica plc, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future.

Centrica Ignite GP Limited

Directors' Report for the Year Ended 31 December 2020 (continued)

Going concern

The Directors have prepared the financial statements on the basis that the Company is not going to continue as a going concern. The Company, as a general partner of Ignite Social Enterprises LP (ISE LP), intends for ISE LP to transfer all of its remaining investments to Centrica Innovations UK Limited during 2021, whereby all activity will be terminated. Where this decision has an effect on the measurement principles of IFRS, this is indicated in the relevant accounting policy detailed in note 2.

Centrica plc, the ultimate parent company, intends to support the Company to ensure it can meet its remaining 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 for issue.

Centrica Ignite GP Limited

Directors' Report for the Year Ended 31 December 2020 (continued)

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. 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 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Disclosure of information to auditors

Each of the Directors who held office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that 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 section 418 of the Companies Act 2006.

Centrica Ignite GP Limited

Directors' Report for the Year Ended 31 December 2020 (continued)

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 8 June 2021 and signed on its behalf by:



Samantha Hood

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

Company registered in England and Wales, No. 07139120
Registered office:
Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD
United Kingdom

Centrica Ignite GP Limited

Independent Auditors' Report to the Members of Centrica Ignite GP Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Centrica Ignite GP Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its result for the year 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 11.

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.

Emphasis of matter - Financial statements prepared other than on a going concern basis

We draw attention to note 2 of the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Centrica Ignite GP Limited

Independent Auditors' Report to the Members of Centrica Ignite GP Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Responsibilities of 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, 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.

Auditor's 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 auditor's 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Centrica Ignite GP Limited

Independent Auditors' Report to the Members of Centrica Ignite GP Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the documentation of the policies and procedures relating to fraud and compliance with laws and regulations that has been established by the Company's ultimate parent. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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 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.

Centrica Ignite GP Limited

Independent Auditors' Report to the Members of Centrica Ignite GP Limited (continued)

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 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.

D. Winstone

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

Date: **14** June 2021

Centrica Ignite GP Limited

Income Statement for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Operating profit/(loss)		<u>-</u>	<u>-</u>
Profit/(loss) before taxation		-	-
Taxation on (profit)/loss	7	<u>-</u>	<u>-</u>
Profit/(loss) for the year		<u><u>-</u></u>	<u><u>-</u></u>

The above results were derived from discontinued operations.

Centrica Ignite GP Limited

Statement of Comprehensive Income for the Year Ended 31 December 2020

	2020 £	2019 £
Profit/(loss) for the year	<u>-</u>	<u>-</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income/(expense) for the year	<u>-</u>	<u>-</u>

Centrica Ignite GP Limited

Statement of Financial Position as at 31 December 2020

	Note	2020 £	2019 £
Current assets			
Trade and other receivables	8	1	1
Current tax assets	7	<u>1,162</u>	<u>1,162</u>
		<u>1,163</u>	<u>1,163</u>
Total assets		<u>1,163</u>	<u>1,163</u>
Net current assets		<u>1,163</u>	<u>1,163</u>
Total assets less current liabilities		<u>1,163</u>	<u>1,163</u>
Equity			
Share capital	9	1	1
Retained earnings		<u>1,162</u>	<u>1,162</u>
Total equity		<u>1,163</u>	<u>1,163</u>

The financial statements on pages 11 to 20 were approved and authorised for issue by the Board of Directors on ...8... June 2021 and signed on its behalf by:



.....
J S Bessell
Director

Company number: 07139120

Centrica Ignite GP Limited

Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £	Retained earnings £	Total equity £
At 1 January 2020	<u>1</u>	<u>1,162</u>	<u>1,163</u>
At 31 December 2020	<u><u>1</u></u>	<u><u>1,162</u></u>	<u><u>1,163</u></u>

	Share capital £	Retained earnings £	Total equity £
At 1 January 2019	<u>1</u>	<u>1,162</u>	<u>1,163</u>
At 31 December 2019	<u><u>1</u></u>	<u><u>1,162</u></u>	<u><u>1,163</u></u>

Centrica Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

Centrica Ignite GP Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.

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

Millstream
Maidenhead Road
Windsor
Berkshire
SL4 5GD

The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 2.

2 Accounting policies

Basis of preparation

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.

The Company financial statements are presented in pounds sterling which is the functional currency of the Company.

Changes in accounting policy

From 1 January 2020, the following standards and amendments are effective in the Company's Financial Statements:

- Amendments to IFRS 3: 'Business combinations';
- Amendments to IAS 1: 'Presentation of financial statements' and IAS 8: 'Accounting policies, changes in accounting estimates and errors' and
- Conceptual Framework for Financial Reporting 2018.

None of these changes or amendments had any material impact on the Company's financial statements.

Summary of disclosure exemptions

In these financial statements, as a qualifying entity 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;
- prior year reconciliations for property, plant and equipment and intangible assets;
- the prior year reconciliations in the number of shares outstanding at the beginning and at the end of the year for share capital;
- disclosures in respect of related party transactions with wholly-owned subsidiaries in a group;

Centrica Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

- disclosures in respect of the compensation of key management personnel; and
- disclosures in respect of capital management.

As the consolidated financial statements of the Centrica plc group (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 Instruments: 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.

Measurement convention

The financial statements have been prepared on the historical cost basis.

Exemption from preparing group accounts

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.

Going Concern

The financial statements have been prepared on a basis other than a going concern. The Company, being a designated partner of Ignite Social Enterprise LP (ISE LP), has started the process of transferring the investments held by ISE LP to Centrica Innovations UK Limited, a related Group undertaking. The intention is to complete this process during 2021, whereon the activity of the entity will cease. ISE LP will then begin the process of being liquidated.

As a result, the Company will cease to be a general partner of ISE LP and the Directors intend to liquidate the Company thereafter. Please see the directors report for further details. There are no material adjustments as a result of ceasing to apply the going concern assumption.

The Group expects ongoing impacts from COVID-19 in 2021 and 2022, including lower energy demand and incremental bad debt costs as the economy recovers from the pandemic. The Group has substantial liquidity available to mitigate these adverse impacts with undrawn committed facilities as at 31 December 2020 of £3.6 billion, before the receipt of proceeds of \$3.625 billion on 5 January 2021 from the sale of Direct Energy to NRG Energy. The Group going concern assessment as at 31 December 2020 included various sensitivities including the impacts of a 30% decline in commodity prices, credit rating downgrade and external risks of COVID-19 including lower demand for products, lower energy consumption and higher bad debt costs, as well as mitigating actions to maintain liquidity. The Centrica plc Board remains committed to maintaining a strong balance sheet. After Centrica's preliminary results announcement in February neither credit rating agency changed their rating with S&P affirming a BBB (negative) credit rating on 26 February and Moody's note on the same date also leaving the Baa2 (negative) rating unchanged.

On the basis of the enquiries made, and the fact that Centrica plc, the ultimate parent company, has confirmed it will continue to support the Company, the Directors have concluded that the Company should be able to meet its liabilities as they fall due for the foreseeable future.

Centrica Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (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 all the years presented, unless otherwise stated.

Finance income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying value.

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 reporting 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 reporting date, except to the extent that the deferred tax arises from the initial recognition of goodwill (if impairment of goodwill is not deductible for tax purposes) 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 reporting date.

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.

- 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 expected credit losses.

- 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 Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, 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 the associated assumptions are based on historical experience or other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and 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 revision and future periods if the revision affects both current and future periods.

In the Directors' opinion there are no critical judgements or key sources of estimation uncertainty.

4 Employees' costs

The Company had no employees during the year (2019: nil).

5 Directors' remuneration

The Directors were remunerated as employees of Centrica plc Group and did not receive any remuneration, from any source, for their services as Directors of the Company during the current or preceding financial year. Accordingly, no details in respect of their emoluments have therefore been included in these financial statements.

6 Auditors' remuneration

Auditors' remuneration totalling £5,000 (2019: £5,000) relates to fees for the audit of the Financial Statements of the Company. Centrica plc bear these costs on behalf of the Company.

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.

7 Income tax

Tax credited/(charged) in the Income Statement

	2020	2019
	£	£
Current taxation		
UK corporation tax at 19% (2018: 19%)	-	-
UK corporation tax adjustment to prior periods	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Centrica Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

7 Income tax (continued)

The main rate of corporation tax for the year to 31 December 2020 was 19% (2019: 19%). The Budget on 3 March 2021 announced that the rate of corporation will increase to 25% with effect from 1 April 2023. The deferred tax balances provided in these financial statements reflect the enacted rate of 19%, when the Finance Bill 2021 is enacted the impact on deferred tax balances is not expected to be material.

The differences between the taxes shown above and the amounts calculated by applying the standard rate of UK corporation tax to the loss before tax are reconciled below:

	2020 £	2019 £
Profit/(loss) before tax	-	-
Tax on loss at standard UK corporation tax rate of 19% (2019: 19%)	-	-
Increase (decrease) arising from group relief tax reconciliation	(30,467)	(73,558)
Decrease from share of partnership result	30,467	73,558
Total tax credit/(charge)	-	-

8 Trade and other receivables

	2020 Current £	2019 Current £
Amounts owed by Group undertakings	1	1

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

9 Capital and reserves

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

10 Related undertakings

The Company is the general partner in Ignite Social Enterprise LP ('the partnership'), which is jointly controlled with Centrica Ignite LP Limited. The Company's share of the net liabilities of the Partnership is 50%. As at 31 December 2020 this is £2,090,030 (2019: £1,929,676). The principal activity of the partnership is the provision of an investment fund for social enterprises with a focus on energy related activities within the United Kingdom. The registered address of the Partnership is Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD, England.

The Company has no other related undertakings.

Centrica Ignite GP Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

11 Parent and ultimate parent undertaking

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

The ultimate parent undertaking 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.

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