

Registered Number:
02709538

ECL CONTRACTS LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2011



ECL CONTRACTS LIMITED (Registered Number: 02709538)

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For the Period Ending 31 December 2011**

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ECL CONTRACTS LIMITED

COMPANY INFORMATION

For the Period Ending 31 December 2011

DIRECTORS

Ivan George Norris (resigned on 6th December 2010)
William Peter Johnston (resigned on 6th December 2010)
John Charles Atkin (resigned on 6th December 2010)
Malcolm John Smith (resigned on 6th December 2010)
James Michael Barratt (resigned on 6th December 2010)
Daniel Edwin Sillis (resigned on 6th December 2010)
Sarah Louise Wright (resigned on 6th December 2010)

Wayne Smith (appointed on 6th December 2010)
Nevin John Truesdale (appointed on 6th December 2010 &
resigned 9th February 2012)
Gearoid Martin Lane (appointed on 6th December 2010)
Jonathon Andrew Kimber (appointed on 6th December 2010)
Hamish Ramsey Floyd (appointed on 9th February 2012)

COMPANY SECRETARY

Centrica Secretaries Limited

REGISTERED OFFICE

Millstream
Maidenhead Road
Windsor
Berkshire
United Kingdom
SL4 5GD

REGISTERED NUMBER

02709538

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
9, Greyfriars Road
Reading
RG1 1JG

ECL CONTRACTS LIMITED
DIRECTORS' REPORT
For the Period Ending 31 December 2011

The Directors present their report and the audited financial statements of ECL Contracts Limited ("the Company") for the 15 month period ended 31 December 2011

Principal activities and future developments

The principal activity of the Company in the period under review was that of external wall insulation, high performance rain-screen facades and light weight steel framing

On 30 December 2011, as part of an internal reorganisation by the ultimate parent company, the trade and assets of ECL Contracts Limited were transferred to another group company, ECL Investments Limited, in exchange for an intercompany receivable of £2,223,854. The trading of ECL Contracts Limited will be taken on in ECL Investments Limited from this date. Following the transfer, on the 30 December 2011, ECL Contracts Limited declared and paid an interim dividend of £2,149,354 to ECL Investments Limited. All remaining balances within the company have been converted to non interest bearing intercompany loans.

As the business activities of the Company have been transferred to ECL Investments Limited it is envisaged that the Company will be classed as non-trading from now on.

Business review

Business revenues were up significantly in the period on a like for like basis due to the level of work placed through the business by the Centrica group. Despite the revenue improvement margins were put under pressure due to the level of competition in the contracts work market. The period has been dominated by the integration of the business into the British Gas New Energy division of Centrica.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Centrica plc group ("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 36-40 of the 2011 Annual Report and Financial Statements of the Group which does not form part of this report.

During 2011, it was decided to merge the activities of ECL Contracts Limited with ECL Investments Limited and ultimately with British Gas Trading Limited to take advantage of synergies. All employees were transferred onto British Gas Trading Limited employment contracts and integrated into British Gas Trading Limited.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The results of the Company are set out on page 6. The results are for the 15 month period to 31 December 2011 (comparatives for the 12 months to 30 September 2010) as the company has changed to a 31 December year end in line with the ultimate holding company.

The profit on ordinary activities after taxation for the period ended 31 December 2011 is £306,038 (September 2010 loss of £570,394).

The Directors paid an Interim Dividend during the year of £2,149,354 (2010: £nil). The Directors recommend that no final dividend be paid.

The total distribution of dividends for the period ending 31 December 2011 will be £2,149,354 (September 2010: £nil).

Called up share capital

By special resolution passed on 19 October 2010, which was accepted by the Companies House on the 20 October 2010, the company reduced its called up share capital by £93,214 to £10,357 by reducing the nominal value of the shares from £0.10 to £0.01. The capital reduction of £93,214 was credited to cumulative retained earnings. The issued share capital was then 1,035,714 ordinary shares of £0.01p each, with a nominal value of £10,357.

Share premium account

By special resolution passed on 19 October 2010, which was accepted by the Companies House on the 20 October 2010, the company reduced its share premium account by 90% and restated it at 10% of its former value as stated in the balance sheet prior to the resolution taking place. The reduction of £487,286 was credited to cumulative retained earnings.

Capital redemption reserve

By special resolution passed on 19 October 2010, which was accepted by the Companies House on the 20 October 2010, the company reduced its capital redemption reserve by 90% and restated it at 10% of its former value as stated in the balance sheet prior to the resolution taking place. The reduction of £90,000 was credited to cumulative retained earnings.

Financial position

The financial position of the Company is presented in the balance sheet on page 7. Shareholder funds at 31 December 2011 were £74,500 (September 2010: £1,917,816).

Directors

The following served as Directors during the period and up to the date of signing this report, unless otherwise stated:

Ivan George Norris
William Peter Johnston
John Charles Atkin
Malcolm John Smith
James Michael Barratt
Daniel Edwin Sillis
Sarah Louise Wright
Wayne Smith
Nevin John Truesdale
Gearoid Martin Lane
Jonathon Andrew Kimber
Hamish Ramsey Floyd

Ivan George Norris resigned as a director on 6th December 2010
William Peter Johnston resigned as a director on 6th December 2010
John Charles Atkin resigned as a director on 6th December 2010
Malcolm John Smith resigned as a director on 6th December 2010
James Michael Barratt resigned as director on 6th December 2010
Daniel Edwin Sillis resigned as a director on 6th December 2010
Sarah Louise Wright resigned as a director on 6th December 2010
Wayne Smith was appointed as a director on 6th December 2010
Nevin John Truesdale was appointed as a director on 6th December 2010 and resigned on 9th February 2012
Gearoid Martin Lane was appointed as a director on 6th December 2010
Jonathon Andrew Kimber was appointed as a director on 6th December 2010
Hamish Ramsey Floyd was appointed as a director on 9th February 2012

Director's and officers' liability

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

Creditor payment policy

It is the Company's policy to pay all of its creditors in accordance with the policies set out below:

- (i) agree the terms of payment in advance with the supplier,
- (ii) ensure that suppliers are aware of the terms of payment, and
- (iii) pay in accordance with contractual and other legal obligations.

The number of days' purchases outstanding as at 31 December 2011 was 49 days (2010: 54 days).

Statement of Directors' responsibilities

The Directors are responsible for preparing the 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 value 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, 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 they have taken all the steps that they ought to have taken as a Director 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 28th June 2012


For and on behalf of Centrica Secretaries Limited
Company Secretary

28th June 2012

Company Registered in England & Wales (Registered Number 02709538)

Registered Office
Millstream
Maidenhead Road
Windsor
Berkshire
United Kingdom
SL4 5GD

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
ECL CONTRACTS LIMITED**

We have audited the financial statements of ECL Contracts Limited for the period ended 31 December 2011 which comprise of the Profit and Loss Account, the Balance Sheet and related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

Scope of the audit and the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the directors and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements,

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Stephen Pascoe (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
9 Greyfriars Road, Reading, RG1 1 JG

28 June 2012

ECL CONTRACTS LIMITED (REGISTERED NUMBER 02709538)
PROFIT AND LOSS ACCOUNT
for the Period Ending 31 December 2011

	Notes	15 Months to 31 December 2011 £	Year ended 30 September 2010 £
TURNOVER	3	20,970,118	9,423,988
Cost of sales		<u>(17,564,382)</u>	<u>(7,705,601)</u>
GROSS PROFIT		3,405,736	1,718,387
Administrative expenses		(2,789,578)	(2,563,885)
Other operating income		<u>44,622</u>	<u>63,535</u>
OPERATING PROFIT / (LOSS)	4	660,780	(781,963)
Loss on disposal of an operation	5	(277,915)	
Interest receivable and similar income		2,016	2,451
Interest payable and similar charges	6	<u>(13,693)</u>	
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		371,188	(779,512)
Tax on profit / (loss) on ordinary activities	9	<u>(65,150)</u>	209,118
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	21	<u>306,038</u>	<u>(570,394)</u>

All amounts relate to discontinued operations

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit / (loss) on ordinary activities before taxation and the profit / (loss) for the financial years stated above and their historical equivalents

The notes on pages 8 to 15 form part of these Financial Statements

ECL CONTRACTS LIMITED (REGISTERED NUMBER. 02709538)

BALANCE SHEET

as at 31 December 2011

	Notes	31 December 2011		30 September 2010	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11		-		196,320
Investments	12		-		20,000
			-		216,320
CURRENT ASSETS					
Debtors due within one year	13	74,500		4,147,793	
Debtors due after one year	13	-		120,186	
Cash at Bank and in hand		-		562,242	
		74,500		4,830,221	
CREDITORS Amounts falling due within one year	15	-		3,128,725	
NET CURRENT ASSETS			74,500		1,701,496
NET ASSETS			74,500		1,917,816
CAPITAL AND RESERVES					
Called up Share Capital	18	10,357		103,571	
Share Premium Account	19	54,143		541,429	
Capital Redemption Reserve	20	10,000		100,000	
Profit and Loss Account	21	-		1,172,816	
TOTAL SHAREHOLDERS' FUNDS	22	74,500		1,917,816	

The notes on Pages 8 to 15 form part of these Financial Statements

The Financial Statements on Pages 6 to 15 were approved by the Board of Directors on 28th June 2012 and were signed on its behalf by



HR Floyd
Director

Registered Number 02709538

NOTES TO THE FINANCIAL STATEMENTS
for the Period Ending 31 December 2011

1 ACCOUNTING POLICIES

Basis of preparation

These Financial Statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with United Kingdom Accounting Standards and the Companies Act 2006. The principal accounting policies, which have been consistently applied throughout the period, are set out below.

Consolidation

The Company is a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated financial statements.

Turnover

Turnover represents work done in the period excluding value added tax and trade discounts and is recognised in accordance with the accounting policy for long-term contracts.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- over 10 years
Fixtures & Fittings	- 15% straight line
Motor Vehicles	- 25% straight line
Computer Equipment	- 33% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The Company operates a defined pension contribution scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account.

Taxation

Current tax, being UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

The accounting policy in respect of deferred tax reflects the requirements of Financial Reporting Standard 19 – Deferred Tax. Provision is made at current rates for tax deferred in respect of all material timing differences. The company has not adopted a policy of discounting deferred tax assets and liabilities.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

1 ACCOUNTING POLICIES - continued**Long-term contracts**

The Financial statements comply with Statement of Standard Accounting Practice 9 – Stocks and long-term contracts. Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is the estimated proceeds of disposal less all costs still to be incurred. Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year-end by recording turnover and related costs as contract activity progresses. Turnover is recognised according to the stage reached in the contract by reference to the value of work done. Full provision is made for losses on all contracts in the year in which they are first foreseen. Where turnover exceeds payments on account, the excess is recorded within debtors under the heading 'amounts recoverable on contracts'. Conversely, if payments on account exceed turnover, firstly the excess is deducted from any balance within stock relating to that contract, with any residual balance being classed as creditors.

2 CASHFLOW

The Company is a wholly-owned subsidiary of Centrica plc and is included in the consolidated financial statements of Centrica plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 "Cash Flow Statements".

3. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the Company.

A geographical analysis of turnover is given below

	31 December 2011 £	30 September 2010 £
United Kingdom	20,971,118	9,423,988

4 OPERATING PROFIT / (LOSS)

	31 December 2011 £	30 September 2010 £
Operating profit / (loss) is stated after charging / (crediting)		
Depreciation of owned fixed assets	69,893	74,228
Profit on disposal of fixed assets	(21,043)	(1,252)
Services provided by the Company's auditor		
- Fees payable for the audit	30,000	11,850
- Fees payable for other services	-	2,500
Operating lease costs		
- Other	181,973	138,521

5 LOSS ON THE DISPOSAL OF AN OPERATION

On 30 December 2011 as part of an internal reorganisation by the ultimate parent company, the trade and assets of the Company were transferred to another group company, ECL Investments Limited, for a fixed agreed intercompany receivable of £2,223,854. The net assets of the company on the date of transfer were £2,501,769. The difference of £277,915 is recognised as a loss on disposal of an operation.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31 December 2011 £	30 September 2010 £
Interest on Group Treasury Loan	(13,693)	-

ECL CONTRACTS LIMITED

7. PARTICULARS OF EMPLOYEES

	31 December 2011 £	30 September 2010 £
The aggregate payroll costs were		
Wages and salaries	1,369,065	1,635,578
Social security costs	145,650	58,803
Pension costs	312,004	200,054
	<u>1,826,719</u>	<u>1,894,435</u>

The average number of staff employed by the company during the financial period amounted to

	31 December 2011 Number	30 September 2010 Number
Contracting	22	23
Administration	12	12
	<u>34</u>	<u>35</u>

On 30 December 2011, it was decided to merge the activities of ECL Contracts Limited with British Gas Trading Limited and take advantage of synergies. All employees were transferred onto British Gas Trading Limited employment contracts and integrated into British Gas Trading Limited.

8. DIRECTORS' REMUNERATION

The Directors' remuneration in respect of qualifying services were

	31 December 2011 £	30 September 2010 £
Remuneration receivable	72,144	161,868
Aggregate value of company pension contributions	7,848	133,719
	<u>79,992</u>	<u>295,587</u>

Defined contribution scheme

There were 3 directors (2010: 2) to whom retirement benefits are accruing under a defined benefit pension scheme.

Money purchase pension schemes

There was 1 director (2010: 7) to whom retirement benefits are accruing under money purchase pension schemes.

Share based payments

There were 4 directors (2010: Nil) who received shares in the ultimate parent company in respect of their qualifying services under a long-term incentive scheme.

Share Options

There were no directors (2010: Nil) who exercised share options relating to the ultimate parent company.

ECL CONTRACTS LIMITED

9. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

	31 December 2011 £	30 September 2010 £
Analysis of charge in period		
The tax charge comprises		
Current tax;		
United Kingdom Corporation tax	-	(145,449)
Total current tax	-	(145,449)
Deferred Taxation:		
Effect of change to rate	2,792	-
Origination and reversal of timing differences (note 14)	62,358	(63,669)
Total tax charge / (credit) on profit / (loss) on ordinary activities	65,150	(209,118)

Factors affecting the tax charge / (credit) for the period

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

	31 December 2011 £	30 September 2010 £
Profit / (loss) on ordinary activities before tax	371,188	(779,512)
Tax on Profit / (loss) on ordinary activities at standard UK corporation tax rate of 26.8% (September 2010 19.45%)	99,478	(151,615)
Effects of		
Depreciation on non qualifying assets	10,586	-
Expenses not deductible for tax purposes	77,456	697
Non taxable income	(41,527)	-
Capital allowances for period in excess of depreciation	(4,093)	4,106
Utilisation of timing differences	(45,771)	-
Losses utilised	(1,878)	1,363
Group relief for nil consideration	(94,251)	-
Tax charge for the period	-	(145,449)

A number of changes to the UK corporation tax system were announced in the March 2011 and the March 2012 Budget Statements. The main rate of corporation tax was reduced from 28% to 26% from 1 April 2011 and was substantively enacted on 29 March 2011. A further reduction to 25% from 1 April 2012 was substantively enacted on 5 July 2011 and is therefore taken into account in these financial statements and a further reduction to 24% from 1 April 2012 was substantively enacted on 26 March 2012. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014. Beyond the reduction to 25%, the changes had not been substantively enacted at the balance sheet date and, therefore are not included in these financial statements. The impact of these proposed further reductions on the deferred tax balances is not expected to be material.

10 DIVIDENDS PAID

	31 December 2011 £	30 September 2010 £
Dividends paid	2,149,354	-

The Directors paid an interim dividend during the year of £2,149,354. No final dividend was proposed.

ECL CONTRACTS LIMITED

11. TANGIBLE FIXED ASSETS

Cost	Leasehold Property £	Fixtures and Equipment £	Motor Vehicles £	Total £
At 1 October 2010	316,013	174,790	110,385	601,188
Additions	-	-	-	-
Disposals	(316,013)	(174,790)	(110,385)	(601,188)
Revaluation	-	-	-	-
At 31 December 2011	-	-	-	-
Depreciation				
At 1 October 2010	158,005	161,074	85,789	404,868
Charge for the year	39,501	11,853	18,539	69,893
Disposals	(197,506)	(172,927)	(104,328)	(474,761)
At 31 December 2011	-	-	-	-
Net book value				
At 31 December 2011	-	-	-	-
At 30 September 2010	158,008	13,716	24,596	196,320

12. INVESTMENTS

Cost	Shares in Group Undertakings £
At 1 October 2010	20,000
Net book value	
At 31 December 2011	-
At 30 September 2010	20,000

The investment was represented by 100% of the issued share capital of

Exterior Coatings Limited

The company was incorporated in Great Britain and was dormant throughout 2010. The investment was sold on the 24th November 2010.

Investments are recorded at cost less amounts written off because as an unlisted entity there is no readily ascertainable market value.

13. DEBTORS

	31 December 2011 £	30 September 2010 £
Trade Debtors	-	1,869,222
Inter Group Debtor	-	-
Amounts Receivable from Group Undertakings	74,500	1,426,059
Amounts Recoverable on Contracts	-	361,058
Corporation Tax Repayable	-	145,449
VAT Debtor	-	-
Other Debtors	-	129,015
Prepayments and Accrued Income	-	272,026
Deferred Taxation (note 13)	-	65,150
	74,500	4,267,979

ECL CONTRACTS LIMITED

13. DEBTORS - continued

Amounts receivable from group undertakings are unsecured, interest free and payable on demand

The debtors above include the following amounts falling due after more than one year

	31 December 2011 £	30 September 2010 £
Trade Debtors	-	120,186

14 DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	31 December 2011 £	30 September 2010 £
Included in debtors (note 13)	-	65,150

The movement in the deferred tax account during the year was

	31 December 2011 £	30 September 2010 £
Balance brought forward	65,150	1,481
Profit & loss account movement arising during the year	(65,150)	63,669
Transfer on hive up	-	-
Balance carried forward	-	65,150

The balance of the deferred taxation account consists of the tax affect of timing differences in respect of

	31 December 2011 £	30 September 2010 £
Excess of depreciation over taxation allowances	-	15,369
Tax losses available	-	1,961
Other timing differences	-	47,820
	-	65,150

15. CREDITORS. Amounts falling due within one year

	31 December 2011 £	30 September 2010 £
Trade Creditors	-	1,974,834
Amounts Owed to Group undertakings	-	20,000
Inter Group Creditor	-	-
PAYE/NIC Liability	-	726,927
VAT Creditor	-	175,277
Other Creditors	-	-
Accruals and deferred income	-	231,687
	-	3,128,725

ECL CONTRACTS LIMITED

16. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2011 the company had annual commitments under non-cancellable operating leases as set out below

	31 December 2011 £		30 September 2010 £	
	Land and buildings	Other Items	Land and buildings	Other Items
Operating leases which expire				
Within 1 year	-	-	-	5,960
Within 2 to 5 years	-	-	43,300	21,611
After more than 5 years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>43,300</u>	<u>27,571</u>

17. RELATED PARTY TRANSACTIONS

ECL Directors Pension Fund was a small administered pension scheme set up for the benefit of two former directors and one former senior employee. During the period, a total contribution of £249,000 (2010 £151,445) was paid into the scheme.

The Company is a wholly owned subsidiary of Centrica plc and is included in the consolidated Financial Statements of Centrica plc, which are publicly available. Accordingly the Company is exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Centrica plc group.

18. CALLED UP SHARE CAPITAL

	31 December 2011 £	30 September 2010 £
Alloted and fully paid share capital		
1,035,714 Ordinary Shares of £0.01 each	<u>10,357</u>	<u>103,571</u>

The Company has taken advantage of the provisions of the Companies Act 2006 to abolish the requirement to have an authorised share capital.

By special resolution passed on 19th October 2010, which was accepted by the Companies House on the 20th October 2010, the company reduced its called up share capital by £93,214 to £10,357 by reducing the nominal value of the shares from £0.10 to £0.01. The capital reduction of £93,214 was credited to cumulative retained earnings. The issued share capital was then 1,035,714 ordinary shares of £0.01p each with a nominal value of £10,357.

19. SHARE PREMIUM ACCOUNT

	31 December 2011 £	30 September 2010 £
Share Premium Account	<u>54,143</u>	<u>541,429</u>

By special resolution passed on 19th October 2010, which was accepted by the Companies House on the 20th October 2010, the company reduced its share premium account by 90% and restated it at 10% of its former value as stated in the balance sheet prior to the resolution taking place. The reduction of £487,286 was credited to cumulative retained earnings.

ECL CCONTRACTS LIMITED

20 CAPITAL REDEMPTION RESERVE

	31 December 2011 £	30 September 2010 £
Capital Redemption Reserve	<u>10,000</u>	<u>100,000</u>

By special resolution passed on 19th October 2010, which was accepted by the Companies House on the 20th October 2010, the company reduced its capital redemption reserve by 90% and restated it at 10% of its former value as stated in the balance sheet prior to the resolution taking place. The reduction of £90,000 was credited to cumulative retained earnings.

21 PROFIT AND LOSS ACCOUNT

	31 December 2011 £	30 September 2010 £
Balance brought forward	1,172,816	1,743,210
Profit / (loss) for the financial period	306,038	(570,394)
Dividends	(2,149,354)	-
Reduction in Share Capital and Reserves	<u>670,500</u>	<u>-</u>
Balance carried forward	<u>-</u>	<u>1,172,816</u>

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2011 £	30 September 2010 £
Profit / (loss) for the financial period	306,038	(570,394)
Dividends paid	<u>(2,149,354)</u>	<u>-</u>
Net (reduction) to Shareholders' Funds	<u>(1,843,316)</u>	<u>(570,394)</u>
Opening Shareholders' Funds	1,917,816	2,488,210
Closing Shareholders' Funds	<u>74,500</u>	<u>1,917,816</u>

22 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of ECL Investments Limited, a company incorporated in England and Wales, and is therefore controlled by that company.

On the 30th December 2011, as part of an internal reorganisation, ECL Investments Limited was purchased by British Gas Trading Limited, a company registered in England and Wales. The Ultimate parent undertaking and ultimate controlling party is Centrica plc, a company registered in England and Wales which is the parent company of the smallest and largest group to consolidate their financial statements. Copies of Centrica plc consolidated financial statements may be obtained from www.centrica.com or from the Company Secretary, Centrica plc, Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD.