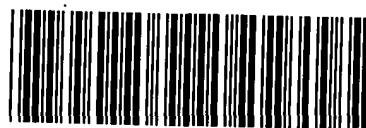


Registered number  
03104203

*GTC Pipelines Limited*

Annual Report and Financial Statements  
For the Year Ended  
**31 December 2014**

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COMPANIES HOUSE

**GTC Pipelines Limited**  
**Company Information**

**Directors**

C Linsdell  
J Dale  
D Corney  
K Johnston

**Company Secretary**

C Mumford  
S Lee

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London  
United Kingdom

**Registered office**

Energy House  
Woolpit Business Park  
Woolpit  
Bury St Edmunds  
Suffolk  
IP30 9UP

**Registered number**

03104203

## **GTC Pipelines Limited**

### **Strategic Report**

The Directors present their Strategic report, Directors report and audited financial statements for the year ended 31 December 2014. The Directors in preparing this Strategic report, have complied with S414C of the Companies Act 2006.

#### **Results for the year**

The loss for the year, after taxation, amounted to £9,146,411 (2013: £15,094,394). The Company made a 34.6% increase in gross profit due to increased connections and rates charged compared with 2013. The net loss after tax incurred as a result of intercompany interest charges which is due to the change in the group's financing arrangements during the year. At the year end the Company had net liabilities of £70,570,581, however this was primarily due to intercompany loan agreements and interest charged thereon. Intercompany creditors have given assurances that the loans will not be recalled within 12 months of the date of this report. The Directors consider that the Company's future earnings will eliminate the net loss position during the life of the Infrastructure assets.

#### **Principal activity and review of business**

The Company is a Gas Transporter licensed by Ofgem and undertakes the adoption and operation of gas pipeline networks to housing and industrial developments. There have not been any significant changes in the Company's principal activities in the period under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year. The Company operates as part of the Brookfield Utilities UK Group and the Directors of the group do not consider individual entities in the group to have individual key performance indicators (KPI's). The Group's results are considered as a whole, and details of the performance can be found in the consolidated group accounts prepared by Brookfield Utilities UK No2 Limited.

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

The key risks to the Company are the responsibilities it has under the licence and network code, credit control, revenue risk, development of smart meters and risk associated with the construction of its infrastructure assets.

The Company ensures the discharge of all licence and network code obligations via a "Group Services Agreement" entered into with The Gas Transportation Company Limited, a fellow group undertaking.

Credit risks are mitigated via the prompt monthly billing of income due to the Company and robust follow up procedures for unpaid amounts.

Risks to regulated revenues are generally low as the Relative Price Control (RPC) system offers a high degree of predictability of revenues for a period of 20 years after a gas connection is installed. The RPC system also helps to mitigate against the effects of inflation via an annual adjustment to recognise movements in retail prices.

The Company does not engage in any construction activities and therefore avoids all construction related risks of part of fixed price contracts. Instead, new networks are gained via commercial adoption arrangements with Lloyds accredited construction businesses.

#### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue to adopt the going concern basis in preparing the annual report and financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 of the financial statements.

#### **Social, environmental and ethical policy**

The Company is a member of the Brookfield Utilities UK Group of companies and accordingly adheres to the Group's Social, Environmental and Ethical Policy.

The Group recognises that its business activities and practices, and those of its suppliers, may have an impact on its employees, society and the environment. As such the Group has developed its own policies and procedures to ensure compliance with these matters. The Group expects all employees and its suppliers to work to that Code, which as a minimum standard requires compliance with any relevant international and national, legal or regulatory framework. In addition, the Group has maintained registration of ISO 14001 environmental accreditation.

#### **Health and safety**

The Directors are committed to achieving high standards of health and safety in the Group's business activities for employees and customers alike. Policies and procedures are established to maintain continued provision of safe and healthy working conditions compliant with statutory requirements and appropriate codes of practice.

#### **Equal opportunities**

A fair and equal opportunities culture is operated throughout the Group. Employment opportunities, whether in the recruitment, training or promotion of employees, are granted on merit irrespective of race, colour, religion, national origin, age, gender, disability or sexual orientation.

Full consideration and equal opportunities are given to employment applications from disabled persons with due regard to the requirements of the job. Where existing employees become disabled every effort is made to provide opportunities for continued employment within the Group supported with training and development as appropriate.

**GTC Pipelines Limited**

**Strategic report  
(Continued)**

**Employee involvement**

The Directors recognise the integral importance of their employees in achieving Group success. Employee involvement in the development of the business is encouraged through an open and honest working environment, effective communication of business objectives and performance and actively seeking the opinions and concerns of the wider business team.

This report was approved by the board on 30 June 2015 and signed on its behalf.

  
D Corney  
Director

## **GTC Pipelines Limited**

### **Directors' Report**

#### **Dividends**

The Directors do not recommend the payment of a dividend (2013: £nil).

#### **Directors**

The following persons served as Directors throughout the year, unless otherwise stated, and to the date of this report:

C Linsdell  
J Dale  
D Corney  
K Johnston - appointed 26 February 2014

The Company has Directors' and Officers' liability insurance to provide against liability in respect of proceedings brought forward by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

#### **Directors' responsibilities statement**

The Directors are responsible for preparing the annual 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 elected to prepare 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 estimates that are reasonable and prudent; and
- 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.

#### **Auditor**

An elective resolution was passed on 19 January 1998 dispensing with the requirement to appoint an auditor annually. This election was in force immediately before 1 October 2007. Therefore Deloitte LLP are deemed to continue as auditor.

#### **Directors' statement as to disclosure of information to the auditor**

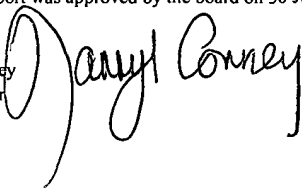
The Directors who were members of the board at the time of approving the Directors' report is listed on page 1. Having made enquiries, the Directors confirm that:

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of the Directors' report of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is 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.

This report was approved by the board on 30 June 2015 and signed on its behalf.

D Corney  
Director



**Independent Auditor's Report  
to the members of GTC Pipelines Limited**

We have audited the financial statements of GTC Pipelines Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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).

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.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of 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 annual report 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 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 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion 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.

**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.



Paul Fletcher  
(Senior Statutory Auditor)

for and on behalf of

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

United Kingdom

30 June 2015

**GTC Pipelines Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2014**

	Notes	2014 £	2013 £
<b>Turnover</b>	2	40,547,419	35,498,193
Cost of sales - other		(12,550,105)	(14,690,700)
Cost of sales - exceptional item	3	(282,080)	(226,334)
<b>Gross profit</b>		<u>27,715,234</u>	<u>20,581,159</u>
Administrative expenses		(10,169,842)	(5,473,880)
<b>Operating profit</b>	4	<u>17,545,392</u>	<u>15,107,279</u>
Interest receivable		383	2,266
Interest payable	6	(29,345,476)	(35,717,240)
<b>Loss on ordinary activities before taxation</b>		<u>(11,799,701)</u>	<u>(20,607,695)</u>
Tax on loss on ordinary activities	7	2,653,290	5,513,301
<b>Loss for the financial year</b>	15	<u>(9,146,411)</u>	<u>(15,094,394)</u>

Turnover and operating profit are wholly derived from continuing operations.

The Company has no recognised gains or losses other than the loss for the two financial years and accordingly has not prepared/presented a statement of recognised gains and losses.

The notes on pages 8 to 13 form part of these financial statements

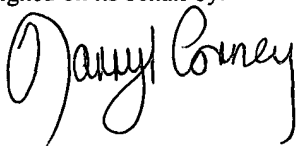
**GTC Pipelines Limited**  
**Balance Sheet**  
**as at 31 December 2014**

	Notes	2014	2013
		£	£
<b>Fixed assets</b>			
Intangible assets	8	25,500,000	27,750,000
Tangible assets	9	<u>248,529,306</u>	<u>225,970,990</u>
		274,029,306	253,720,990
<b>Current assets</b>			
Debtors amounts due within one year	10	24,204,373	20,136,105
Debtors amounts due after more than one year	10	12,511,768	12,511,768
Cash at bank and in hand		<u>150,871</u>	<u>48</u>
		36,867,012	32,647,921
<b>Creditors: amounts falling due within one year</b>	11	<u>(16,906,915)</u>	<u>(7,171,435)</u>
<b>Net current assets</b>		19,960,097	25,476,486
<b>Total assets less current liabilities</b>		293,989,403	279,197,476
<b>Creditors: amounts falling due after more than one year</b>	12	(362,290,256)	(340,621,946)
<b>Provisions for liabilities</b>			
Deferred taxation	13	(2,270,028)	-
<b>Net liabilities</b>		<u>(70,570,881)</u>	<u>(61,424,470)</u>
<b>Capital and reserves</b>			
Called up share capital	14	1,000	1,000
Profit and loss account	15	<u>(70,571,881)</u>	<u>(61,425,470)</u>
<b>Shareholders' deficit</b>	15	<u>(70,570,881)</u>	<u>(61,424,470)</u>

The financial statements of GTC Pipelines Limited (registered number 03104203) were approved by the Board of Directors and authorised for issue on 30 June 2015.

They were signed on its behalf by:

D Corney  
Director



The notes on pages 8 to 13 form part of these financial statements



**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**1 Accounting policies**

***Basis of accounting***

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

***Going concern***

The Company forms part of the Group known as Brookfield Utilities UK ("BUUK", the "Group") of which the ultimate parent undertaking is Brookfield Infrastructure Partners L.P. At 31 December 2014 the Group had the following long term funding:

- Senior Secured Loan notes denominated in GBP (£500 million) and US\$ (US\$300 million). The loan notes are privately placed and have maturity dates ranging from 2023 to 2033. The loan notes are fully drawn down and incur a fixed rate of interest. Cross currency interest rate swaps have been taken out to fix the US\$ denominated interest and capital repayments.
- Bank facilities with a syndicate of banks. In total the Group has facilities of £140 million. As at 31 December 2014 £103.6 million of the facilities remained undrawn. The debt facilities mature in 2017 or 2034 depending on the facility. Interest is paid on a margin above LIBOR.
- Convertible Loan Notes redeemable in 2044 of £158.5 million.

The Group has access to sufficient funds to continue in operational existence for the foreseeable future and therefore adopts the going concern basis in preparing its financial statements.

The Company is financed by intercompany loans. All companies within the BUUK Group have given assurances that intercompany loans in existence at the Balance Sheet date will not be recalled within a period of one year from the date of signing of the financial statements, unless a Company is in a position to make repayment. The Company's forecasts, taking into account reasonable possible changes in trading performance to December 2019, show that the Company should have adequate resources to continue in operational existence for the foreseeable future. Therefore, the Directors have a reasonable expectation that the Company can continue to meet its liabilities as they fall due, for a period of at least 12 months from the date of this annual report. Accordingly, they have prepared financial statements on the going concern basis.

***Cash flow statement***

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 (revised) on the grounds that it is a wholly-owned subsidiary undertaking.

***Fixed assets***

Tangible fixed assets are stated at cost less depreciation and provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of fixed assets on the straight-line basis over their estimated useful lives. The rates in use are:

Networks, mains and meters - At rates varying between 2.5% and 5.0% per annum

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Taxation***

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

Deferred tax 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 a right to pay less or to receive more, tax, with the following exception:

- 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.

**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**2 Turnover**

Turnover represents the amounts receivable from the supply of goods and services during the year, net of Value Added Tax. Transportation income is recognised when services are provided and are rendered based upon usage during that period. All turnover and loss before taxation, by origin and destination, was attributable to the UK.

**3 Exceptional item**

In April 2006 GTC Pipelines Limited purchased from Utility Grid Installations Limited and The Gas Transportation Company Limited, fellow group undertakings, their portfolios of completed gas networks and the order books representing contracted gas connections at that time for the total sum of £223,000,008. The Directors of GTC Pipelines Limited have reviewed the purchased order book acquired and written off balances relating to connections which are not considered likely to materialise. This adjustment is equivalent to less than 1% of the overall purchase volume and arises due to change in physical site layouts and other events in the new housing market over the 9 years since the purchase. The adjustment of £282,080 (2013: £226,334) has been made to reduce the value of the tangible fixed asset debtor in the Balance Sheet and has been written off to the Profit and Loss Account.

**4 Operating Profit**

	2014	2013
	£	£
Operating profit is stated after charging:		
Depreciation of owned fixed assets	7,977,175	7,201,896
Amortisation of goodwill	2,250,000	2,250,000

Audit fees for the audit of the Company's annual accounts are £19,460 (2013 - £23,100): audit fees are borne by Brookfield Utilities UK No 2 Limited.

**5 Directors' emoluments and staff costs**

The Directors received no emoluments in the year (2013: £nil). The Directors are Directors/employees of other Group companies and the services that they provide to the Company are considered ancillary to the services that they provide to those other Group companies. The Company had no employees during the year with all administrative tasks undertaken by employees of fellow group undertakings.

**6 Interest payable**

	2014	2013
	£	£
Interest payable to immediate parent undertaking	29,345,476	35,717,240

**7 Tax**

	2014	2013
	£	£
<b>(a) Tax on loss on ordinary activities</b>		
The tax credit is made up as follows		
<b>Current tax:</b>		
Group relief credit in respect of the current year	(4,923,318)	(5,286,932)
Adjustments to prior periods	-	(226,369)
Total current tax credit (note 7(b))	(4,923,318)	(5,513,301)
<b>Deferred tax:</b>		
Origination and reversal of timing differences	2,270,028	-
Total deferred tax charge (note 13)	2,270,028	-
Tax on loss on ordinary activities	(2,653,290)	(5,513,301)

**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**7 Tax (continued)**

**(b) Factors affecting tax credit**

The tax assessed on the loss on ordinary activities for the year differs from the blended standard rate of corporation tax in the UK of 21.50% (2013: 23.25%). The differences are reconciled below:

	2014 £	2013 £
Loss on ordinary activities before tax	(11,799,701)	(20,607,695)
Loss on ordinary activities multiplied by blended standard rate of corporation tax in the UK of 21.50% (2013: 23.25%).	(2,536,936)	(4,791,289)
Effects of:		
Expenses not deductible for tax purposes	449,767	728,368
Capital allowances for period in excess of depreciation	(2,836,149)	(1,224,011)
Adjustments to tax charge in respect of previous years	-	(226,369)
Current tax credit for year	(4,923,318)	(5,513,301)

**(c) Factors that may affect future tax charges**

The Finance Act 2013, which provides for a reduction in the main rate of corporation tax from 23% to 21% effective from 1 April 2014, was substantively enacted on 3 July 2013. This rate reduction has been reflected in the calculation of deferred tax at the balance sheet date.

The Government intends to enacted future reduction in the main tax rate down to 20% effective from 1 April 2015.

At 31 December 2014 the Company had a deferred tax asset amounting to £nil (2013: £325,332) relating to timing differences in respect of property plant and equipment which was not recognised due to uncertainty as to its recoverability

**8 Intangible fixed assets**

£

Goodwill:

**Cost**

At 1 January 2014 and 31 December 2014	45,000,000
At 31 December 2014	45,000,000

**Amortisation**

At 1 January 2014	17,250,000
Provided during the year	2,250,000
At 31 December 2014	19,500,000

**Net book value**

At 31 December 2014	25,500,000
At 31 December 2013	27,750,000

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**9 Tangible fixed assets**

	<b>Infrastructure assets</b>
<b>Cost</b>	<b>£</b>
At 1 January 2014	267,662,435
Additions	30,646,947
Disposals	(173,640)
At 31 December 2014	<u>298,135,742</u>
<b>Depreciation</b>	
At 1 January 2014	41,691,445
Charge for the year	7,977,175
On disposals	(62,184)
At 31 December 2014	<u>49,606,436</u>
<b>Net book value</b>	
At 31 December 2014	<u>248,529,306</u>
At 31 December 2013	<u>225,970,990</u>

**10 Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Amounts due within one year</b>		
Trade debtors	635,288	149,070
Tangible fixed asset debtor	572,307	1,427,304
Amounts owed by immediate parent company	7,080,122	10,374,450
Amounts owed by fellow subsidiary undertakings	12,235,355	4,840,787
Prepayments and accrued income	3,681,301	3,344,494
	<u>24,204,373</u>	<u>20,136,105</u>
<b>Amounts due in more than one year</b>		
Tangible fixed asset debtor	12,511,768	12,511,768

Amounts owed by the immediate parent company and by fellow subsidiary undertakings are interest free, unsecured and repayable on demand.

Certain amounts owed by fellow subsidiary undertakings are unsecured and are repayable in line with the Group financing facility, in November 2017. Interest charged is variable, at LIBOR plus 6.75%, and calculated monthly.

**11 Creditors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	36,489	278,983
Amounts owed to immediate parent company	8,564,020	-
Amounts owed to fellow subsidiary undertakings interest bearing	7,610,240	6,055,331
Other taxes and social security costs	685,884	587,874
Other creditors	10,282	10,282
Accruals and deferred income	-	238,965
	<u>16,906,915</u>	<u>7,171,435</u>

Interest bearing amounts owed to fellow subsidiary undertakings, bear interest between 6.0% and 7.13% per annum. All amounts are unsecured and repayable on demand.

**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**12 Creditors: amounts falling due after one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts owed to immediate parent company interest bearing	330,130,256	308,461,946
Amounts owed to immediate parent company non-interest bearing	32,160,000	32,160,000
	<u>362,290,256</u>	<u>340,621,946</u>

**13 Provisions for liabilities and charges**

Deferred tax included in the balance sheet is as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	2,270,028	-
Provision for deferred tax	<u>2,270,028</u>	<u>-</u>

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 January	-	-
Deferred tax charge in profit and loss account	2,270,028	-
	<u>2,270,028</u>	<u>-</u>
At 31 December		

**14 Called-up share capital**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Allotted, called-up and fully paid: 1000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**15 Reconciliation of movement in shareholders' deficit and movement on reserves**

	Called up share capital	Profit and loss account	Total shareholders' defecit	Total shareholders' defecit
	<b>£</b>	<b>£</b>	<b>2014</b>	<b>2013</b>
			<b>£</b>	<b>£</b>
At 1 January	1,000	(61,425,470)	(61,424,470)	(46,330,076)
Loss for the financial year	-	(9,146,411)	(9,146,411)	(15,094,394)
At 31 December	<u>1,000</u>	<u>(70,571,881)</u>	<u>(70,570,881)</u>	<u>(61,424,470)</u>

**16 Commitments**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Capital commitments:		
Contracted for but not provided for	<u>129,370,113</u>	<u>99,493,345</u>

The Company has entered into cross guarantees with certain Group undertakings, which guarantee certain borrowings of the Group. As at 31 December 2014 the total borrowings, as part of the BUUK Group, amounted to £728,805,322 (2013: £614,586,216).

Included within the capital commitments is £13,084,075 of tangible fixed asset debtor (2013: £13,939,072) (note 10). This relates to the payment in advance for incomplete networks contracted within the intercompany agreement for sale and purchase of gas pipeline networks dated 28 April 2006.

**GTC Pipelines Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2014**

**17 Related party transactions**

As 100% of the issued share capital of the Company is owned by a Group which consolidated financial statements are publicly available it is not required to disclose transactions with other wholly-owned Group undertakings that would otherwise be required under Financial Reporting Standard 8 'Related Party Disclosures'.

**18 Ultimate parent undertaking**

The company's immediate parent undertaking is GPL Investments Ltd, a company incorporated in England and Wales. The Company's ultimate parent undertaking is Brookfield Infrastructure Partners L.P., which is registered in Bermuda.

The smallest group in which the results of the Company are consolidated is Brookfield Utilities UK No 2 Limited, which is incorporated in England and Wales, and the largest group in which the results of the Company are consolidated is Brookfield Infrastructure Partners L.P.

Brookfield Infrastructure Partners L.P.'s financial statements can be obtained from: Brookfield Infrastructure Partners L.P., Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.