
INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	K Dibble R Wells
Company secretary	N Anderson
Registered number	2756997
Registered office	Rooms 481-499 Second Floor Salisbury House London Wall London EC2M 5SQ
Independent auditor	Ernst & Young LLP Citygate St James' Boulevard Newcastle upon Tyne NE1 4JD

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Director's Report	3
Director's Responsibilities Statement	4
Independent Auditor's Report	5 - 7
Income Statement	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 23

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The Directors present their Strategic Report of International Power Global Developments Limited (the Company) for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to identify and develop overseas investment opportunities, via overseas branches and representative offices in Pakistan and Indonesia.

The Company is a private company limited by shares.

BUSINESS REVIEW

The profit for the financial year after taxation amounted to €16,774,000 (2020: €2,642,000).

As shown in the income statement on page 8, the Company made a profit of €16,774,000 for the financial year ended 31 December 2021 compared to €2,642,000 for the preceeding financial year. This movement is predominantly due to a decrease in administrative expenses in the current financial year.

The statement of financial position, on page 9, shows the Company's financial position at the end of the current and preceding financial year. The shareholder's deficit has decreased from €28,652,000 to €45,426,000 because of the profit for the financial year.

The Directors do not monitor the performance of the Company through the use of key performance indicators (KPIs). The ENGIE group manages its business and measures the delivery of its strategic objectives through the application of KPIs at both an ENGIE division and group level.

PRINCIPAL RISKS AND UNCERTAINTIES

The identification, assessment, pursuit and management of opportunities and the associated risks is an integral part of the management and processes of the Company. The Company has processes in place for managing the exposure within a specified opportunity and risk management framework, including:

Going concern risk

Given the current health and economic crisis which has evolved during the financial year and has continued since the year end, the Directors have paid close attention to the Company's ability to continue to adopt the going concern basis of preparation for these financial statements. The Company had net current liabilities of €45,426,000 as at 31 December 2021 (2020: €28,682,000). The Directors have considered the application of the going concern basis of accounting. In making this assessment, the Directors have considered the intention of the Directors of International Power Limited, to provide financial support to the Company in the conduct of its ordinary business until at least 30 November 2023 which is twelve months from the date of approval of these financial statements. The Directors, having assessed the responses of the Directors of International Power Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Credit risk

With respect to treasury activities, the Company's financial counterparty credit exposure is principally limited to cash pooling arrangements with ENGIE Treasury Management S.a.r.l., also included within 'Amounts owed by group undertakings - current accounts'. The Company continually reviews the credit risk associated with this position, taking into consideration the impact of the current pandemic when assessing expected credit losses. This results in a concentration of risk to the ENGIE group, but the risk of default remains low given ENGIE's strong credit rating.

Currency risk

The Company is exposed to foreign exchange translation risk arising from the results and net assets of foreign branches which have non-euro functional currencies. It is not the Company's policy to hedge this exposure through foreign exchange contracts or currency swaps. In the context of the Company's activities and the support offered by International Power Limited, the Directors have assessed this exposure to currency risk as acceptable.

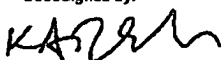
The Company's currency risk mainly relates to the UK and Pakistan group relief recoverable and payable balances which are denominated in sterling and Pakistan rupees, respectively. The Company had a sterling group relief recoverable balance of £5,411,000 (€6,440,000) (2020: £6,031,000 (€6,708,000)) and a Pakistani rupee payable of PKR 3,583,000,000 (€17,858,000) (2020: PKR 393,000,000 (€2,013,000)). The Company does not have sufficient foreign currency liabilities/assets to offset these foreign exchange exposures. It is not the Company's policy to hedge currency translation exposures through foreign exchange contracts or currency swaps. Although the foreign currency tax balances create volatility in earnings from period to period, the Directors have assessed this exposure as acceptable.

Interest rate risk

The Company has interest-bearing assets which are primarily cash pool balances with ENGIE group undertakings. As at 31 December 2021, interest bearing assets with a carrying value of €31,972,000 (2020: €32,799,000) earned interest at floating rates plus a margin. Although the rates of interest are variable and create volatility in earnings from period to period, the Directors have assessed this risk as acceptable.

This report was approved by the board on 1 November 2022 and signed on its behalf.

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K Dibble
Director

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

Results and dividends

The loss for the year, after taxation, amounted to €16,774,000 (2020 - profit €2,642,000).

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2021 (2020: €nil).

DIRECTORS

The Directors who served during the year were:

D Alcock (resigned 31 January 2022)
A Pollins (appointed 1 July 2020, resigned 12 November 2021)
K Dibble (appointed 23 November 2021)
R Wells (appointed 6 April 2022)

SHARE CAPITAL

The Company's share capital comprises 100 ordinary shares of £1.00 each which rank pari passu with each other in respect of all rights, including dividend, voting and return of capital.

FUTURE DEVELOPMENTS

The Company has no significant future developments to report.

EMPLOYEES

Details of the number of employees and related costs can be found in note 6 to the financial statements.

DISCLOSURE OF INFORMATION TO AUDITOR


Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

INDEPENDENT AUDITOR

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 1 November 2022 and signed on its behalf.

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K Dibble
Director

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors are responsible for preparing the Strategic Report, 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

Opinion

We have audited the financial statements of International Power Global Developments Limited for the year ended 31 December 2021 which comprise Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 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.

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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern until at least 30 November 2023 which is 12 months from the date of the approval of these financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 this report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED (Continued)

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement 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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED (Continued)

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Due to the simplicity of the company's activities and the small number of transactions our procedures focused on:

- Obtaining an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct tax compliance regulations in the United Kingdom.
- Understanding how the Company is complying with those frameworks by making enquiries of management to understand how the company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation. We also reviewed correspondence with relevant authorities, where applicable.
- Assessing the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Designing, based on this understanding, our audit procedures to identify non compliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Caroline Mulley (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne
1 November 2022

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 €000	2020 €000
Administrative expenses		(645)	(2,681)
Operating loss	4	(645)	(2,681)
Interest receivable and similar income	8	79	139
Interest payable and similar expenses	9	(94)	(135)
Loss before tax		(660)	(2,677)
Tax on loss	10	(16,114)	5,319
(Loss)/profit for the financial year		(16,774)	2,642

There were no recognised gains and losses for 2021 or 2020 other than those included in the income statement.


The notes on pages 11 to 23 form part of these financial statements.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED
REGISTERED NUMBER: 2756997

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 €000	2020 €000
Fixed assets			
Tangible assets	11	-	30
		-	30
Current assets			
Debtors: amounts falling due within one year	12	38,544	39,696
Bank and cash balances		235	83
		38,779	39,779
Creditors: amounts falling due within one year	13	(84,205)	(68,461)
Net current liabilities		(45,426)	(28,682)
Total assets less current liabilities		(45,426)	(28,652)
Capital and reserves			
Called up share capital	14	-	-
Share premium account	15	83,802	83,802
Profit and loss account	15	(129,228)	(112,454)
Total shareholder's deficit		(45,426)	(28,652)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 November 2022.

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K Dibble
 Director

The notes on pages 11 to 23 form part of these financial statements.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total shareholder's deficit
	€000	€000	€000	€000
At 1 January 2020	-	83,802	(115,096)	(31,294)
Loss for the financial year	-	-	2,642	2,642
At 1 January 2021	-	83,802	(112,454)	(28,652)
Profit for the financial year	-	-	(16,774)	(16,774)
At 31 December 2021	-	83,802	(129,228)	(45,426)

The notes on pages 11 to 23 form part of these financial statements.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

International Power Global Developments Limited (the Company) is a private limited company incorporated and domiciled in England and limited by shares. The address of its registered office is Rooms 481-499 Second Floor, Salisbury House, London EC2M 5SQ, United Kingdom. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

2.1 Basis of preparation of financial statements

The Company meets the definition of a qualifying entity under FRS (Financial Reporting Standard) 100 issued by the Financial Reporting Council.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is a wholly owned subsidiary of International Power Consolidated Holdings Limited and of its ultimate parent, ENGIE S.A. It is included in the consolidated financial statements of ENGIE S.A. which are publicly available. Therefore, under Section 400 of the Companies Act 2006 and paragraph 4(a) of IFRS 10 Consolidated Financial Statements, the Company is exempt from the requirement to prepare consolidated financial statements. Consequently, these separate financial statements present information about the Company as an individual undertaking and not its group. Where relevant, equivalent disclosures have been given in the group accounts of ENGIE S.A.

The group accounts of ENGIE S.A. are available to the public and can be obtained as set out in note 17.

The following principal accounting policies have been applied:

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Going concern

Given the current health and economic crisis which has evolved during the financial year and has continued since the year end, the Directors have paid close attention to the Company's ability to continue to adopt the going concern basis of preparation for these financial statements. The Company had net current liabilities of €45,426,000 as at 31 December 2021 (2020: €28,682,000). The Directors have considered the application of the going concern basis of accounting. In making this assessment, the Directors have considered the intention of the Directors of International Power Limited, to provide financial support to the Company in the conduct of its ordinary business until at least 30 November 2023 which is twelve months from the date of approval of these financial statements. The Directors, having assessed the responses of the Directors of International Power Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is Euros. Monetary amounts presented are rounded to the nearest thousand euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'interest receivable and similar income/interest payable and similar expenses'.

2.5 Other operating income

Other operating income relates to the service income for success fees from the Pakistan branch, foreign exchange movements and loan waivers granted to the Company.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Development expenditure

All development expenditure incurred by the Company in pursuing potential investment opportunities is expensed to the Income Statement as it is incurred. Where such activities result in financial close or similar successful determination, the Company will transfer the investment opportunity to the ultimate investor and will receive compensation from the ultimate investor in return for the project development services. This compensation is disclosed within other operating income.

2.8 Interest expense

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (continued)**2.9 Taxation**

Tax is recognised in the Income Statement except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax expense is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.10 Depreciation and amortisation

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The depreciation charge during the year was based on the following estimates of useful lives:

Plant and machinery	- 3-5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Bank and cash balances

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value in accordance with IFRS 9.

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (continued)**2.12 Financial instruments (continued)****Debt instruments at amortised cost**

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For receivables, the Company requires expected lifetime losses to be recognised from initial recognition of the receivables. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements in conformity with FRS 101 requires the use of estimates and assumptions to determine the value of assets and liabilities, and contingent assets and liabilities at the reporting date, as well as income and expenses reported during the period.

The Company regularly revises its estimates in light of currently available information because of uncertainties inherent in the estimation process. Final outcomes could differ from those estimates.

The key estimates used in preparing the Company's financial statements predominately relate to the measurement of:

Recoverable amount of debtors

Management regularly assesses whether there is objective evidence that an impairment loss on debtors has been incurred. The Company's risk management procedures include an assessment of risk – in particular counterparty risk – in the measurement of its financial instruments. The carrying amount of the debtors at the reporting date was €38,520,000 (2020: €39,696,000).

4. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	€000	€000
Depreciation of tangible fixed assets	30	100
	<u>30</u>	<u>100</u>

5. AUDITOR'S REMUNERATION

The auditor's remuneration in respect of the statutory audit of the Company for the year ended 31 December 2021 and 31 December 2020 was as follows:

	2021	2020
	€000	€000
Auditor's remuneration for the financial year	6	6
Audit of the financial statement of the Pakistan branch	1	1
	<u>7</u>	<u>7</u>

The auditor's remuneration in respect of the statutory audit of the Company, excluding the Pakistan branch, for the year ended 31 December 2021 and 31 December 2020 was borne by International Power Ltd. Audit fees and non audit fees borne by International Power Ltd. and its subsidiaries are set out in the financial statements of International Power Ltd. for the year ended 31 December 2021 which can be obtained from Rooms 481-499 Second Floor, Salisbury House, London, EC2M 5SQ, United Kingdom.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. EMPLOYEES

Staff costs were as follows:

	2021	2020
	€000	€000
Wages and salaries	401	772
Social security costs	104	236
	<u>505</u>	<u>1,008</u>

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

	2021	2020
	Number	Number
Administration	<u>-</u>	<u>4</u>

7. DIRECTOR'S REMUNERATION

The Directors did not receive any fees or emoluments from the Company during the year (2020: €nil) directly attributable to their position within the Company. There exist no qualifying services from Directors attributable to the Company and Director fees are paid by other entities in their management of the group as a whole (of which €nil is applicable to this entity).

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	€000	€000
Interest receivable from group undertakings	3	-
Net foreign exchange gain	76	139
	<u>79</u>	<u>139</u>

Group undertakings are subsidiaries of ENGIE S.A.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	€000	€000
Interest payable from group undertakings	94	135
	<u>94</u>	<u>135</u>

Group undertakings are subsidiaries of ENGIE S.A.

10. TAXATION

	2021	2020
	€000	€000
Corporation tax		
Current tax credit on loss for the year	16,008	(5,320)
Adjustments in respect of previous periods	106	1
Total tax charge/(credit)	<u>16,114</u>	<u>(5,319)</u>

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. TAXATION (continued)

Factors affecting tax credit for the year

The current and prior year applicable statutory tax rate is 19%.

The tax assessed for the year is higher than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 €000	2020 €000
Loss before tax	660	(2,677)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(125)	(500)
Effects of:		
Foreign tax	15,845	(4,381)
UK prior year tax adjustment	106	1
Non-taxable foreign exchange movement	-	(311)
Remeasurement of deferred tax for change in tax rates	(743)	(352)
Deferred tax not recognised	1,031	236
Deferred tax exchange difference on foreign exchange	-	(12)
Total tax credit for the year	16,114	(5,319)

Factors that may affect future tax expenses

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted on 24 May 2021 and therefore have been reflected in the measurement of deferred tax balances at the year end.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. TANGIBLE FIXED ASSETS

	Plant and machinery €000
Cost	
At 1 January 2021	545
At 31 December 2021	545
Depreciation	
At 1 January 2021	515
Charge for the year	30
At 31 December 2021	545
Net book value	
At 31 December 2021	-
At 31 December 2020	30

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	€000	€000
Amounts owed by group undertakings - current accounts	31,972	32,799
Other debtors	132	189
Group relief recoverable	6,440	6,708
	<u>38,544</u>	<u>39,696</u>

'Amounts owed by group undertakings - current accounts' are unsecured, subject to floating rates of interest plus a margin and repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	€000	€000
Trade creditors	180	113
Amounts owed to group undertakings - loan	66,167	66,167
Overseas tax	17,858	2,013
Other creditors	-	168
	<u>84,205</u>	<u>68,461</u>

'Amounts owed to ENGIE group undertakings – loan' are unsecured, interest free and repayable on demand.

14. SHARE CAPITAL

	2021	2020
	€000	€000
Allotted, called up and fully paid		
100 (2020: 100) Ordinary shares of £1.00 each	<u>-</u>	<u>-</u>

The share capital represents the ordinary shares in the Company which carry rights to participate in the distribution of dividends or capital of the Company.

Ordinary shares rank pari passu with each other in respect of rights, including dividend, voting and return of capital.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. RESERVES**Share premium account**

The share premium account represents the difference between the issue price and the nominal value of shares issued.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

16. RELATED PARTY TRANSACTIONS

As at 31 December 2021 and 31 December 2020, the Company was a wholly owned subsidiary of International Power Consolidated Holdings Limited which is wholly owned by ENGIE S.A. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 and has therefore not disclosed transactions with other wholly owned entities of ENGIE S.A. There are no transactions with related parties that are not wholly owned by ENGIE S.A.

The balances outstanding with related parties are as follows:

	2021	2020
	€000	€000
Amounts owed by related parties		
Other related parties	38,412	39,507
	38,412	39,507
Amounts owed to related parties		
Parent - International Power Ltd.	66,167	66,167
Other related parties	-	-
	66,167	66,167

Other related parties comprise fellow subsidiaries of ENGIE S.A. not owned by the Company.

Amounts owed by and to other related parties are on an arm's length basis.

INTERNATIONAL POWER GLOBAL DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. CONTROLLING PARTY

The Company's immediate parent undertaking is International Power Consolidated Holdings Limited, the registered address of which is Room 481-499 Second Floor, Salisbury House, London, EC2M 5SQ, United Kingdom.

The Directors consider the Company's ultimate parent undertaking and controlling party to be ENGIE S.A. which was incorporated in France and is headquartered in Paris, France and which is the parent undertaking of the largest and smallest group in which the results of the Company are consolidated for the year ended 31 December 2021 and the year ended 31 December 2020. The consolidated financial statements of ENGIE S.A. may be obtained from its registered office at 1, Place Samuel de Champlain, Faubourg de l'Arche, 92930 Paris la Défense, France.