

Registered number
05413049

IEG Finance Limited

Annual Report and Financial Statements
For the year ended
31 December 2015



IEG Finance Limited
Report and accounts
Contents

	Page
Company information	1
Strategic report	2
Directors' report	4
Independent auditor's report	6
Income statement	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10

IEG Finance Limited
Company Information

Directors

N E Shaw
C E Linsdell
D Corney

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

Registered office

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

Registered number

05413049

IEG Finance Limited

Strategic Report

The Directors present their strategic report, annual report and audited financial statements for the year ended 31 December 2015. The Directors in preparing this Strategic report, have complied with S414C of the Companies Act 2006.

Principal activities

The Company has not traded during the current year. Previously, the Company acted as an investment holding company within the Brookfield Utilities UK Group "BUUK Group" of companies. These activities ceased during 2013 following the sale of all investments held, with the Company being dormant for the year ended 31 December 2014. The Company has been active during the current year due to a prior year tax adjustment being made. The Directors expect the Company to become dormant once again beyond this financial year.

Principal risks and uncertainties

The Company is part of the Brookfield Utilities UK Group "BUUK Group", "The Group". The principal risks and uncertainties facing the "BUUK Group" and the entity are:

Regulatory

The Group operates in stable and transparent regulated utility markets in the UK. The Group is not aware of any proposed changes impacting the existing regulatory frameworks in which it operates. Any such change could have either a positive or negative impact on our future business prospects.

Health, Safety and Environmental

The Group operates a comprehensive Health, Safety and Environmental framework to ensure that, as far as possible, it eliminates risk to its employees, customers and the environment. The Group has an excellent track record in this regard and has culturally aligned itself to continually improve its performance in this area.

Liquidity and Interest Rates

The Group has a policy of seeking to have a number of sources of funds at any given time to meet its liquidity needs, as well as maintaining a balanced maturity profile to minimise, as far as possible, peaked repayments and refinancing risk. Debt facilities are arranged with appropriate financial and operating covenants, ensuring that management has the necessary flexibility in the operation of its business.

Results and review of the business

The profit for the year, after taxation, amounted to £840,348 (2014: £nil), due to a prior year tax credit received. At the balance sheet date the Company had net assets of £10,889,231 (2014: net assets of £10,048,883).

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.

IEG Finance Limited

Strategic Report

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

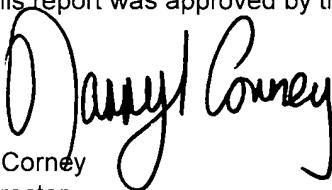
A fair and equal opportunities culture is operated throughout the Group. Employment opportunities, whether in the recruitment, training or promotion of employees, are granted on merit irrespective of race, colour, religion, national origin, age, gender, disability or sexual orientation.

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.

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 21/9/16 and signed on its behalf.



D Corney
Director

IEG Finance Limited**Registered number:**

05413049

Directors' Report

The Directors present their annual report and financial statements for the year ended 31 December 2015.

Dividends

The Directors do not recommend the payment of a final dividend (2014 - £nil).

Directors

The following persons served as directors during the year and to the date of this report:

N E Shaw
C E Linsdell
D Corney

Directors' responsibilities

The Directors are responsible for preparing the annual report and 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 year. 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;
- 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.

Going concern

Due to the Company not trading the financial statements are prepared on a basis other than going concern. Despite this, the Company remains solvent, and receives Group support where required.

Auditor

Deloitte LLP has indicated its willingness to continue in office and a resolution to reappoint them as the Company's auditor will be put to the forthcoming Annual General Meeting.

IEG Finance Limited

Registered number:

05413049

Directors' Report

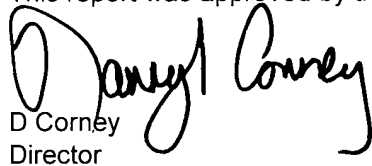
Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any 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 s418 of the Companies Act 2006.

This report was approved by the board on 21/9/16 and signed on its behalf.


D Corney
Director

IEG Finance Limited
Independent auditor's report
to the member of IEG Finance Limited

We have audited the financial statements of IEG Finance Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, included within the Directors' Report, 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.

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 2015 and of its profit for the year 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.

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

In forming our opinion, which is not modified, we have also considered the adequacy of the disclosures made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic 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.

IEG Finance Limited
Independent auditor's report
to the member of IEG Finance Limited

Other matter

As the Company was exempt from audit under Section 480 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.



Simon Grant ACA
(Senior Statutory Auditor)
for and on behalf of
Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

22 September 2016

IEG Finance Limited
Income Statement
for the year ended 31 December 2015

	Notes	2015 £	2014 £ (unaudited)
Administrative expenses		(150)	-
Operating loss	3	<u>(150)</u>	<u>-</u>
Loss on ordinary activities before taxation		<u>(150)</u>	<u>-</u>
Tax on loss on ordinary activities	5	840,498	-
Profit for the financial year		<u>840,348</u>	<u>-</u>

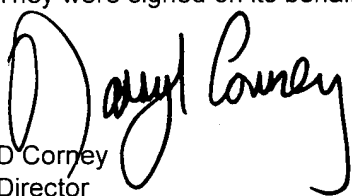
All activities derive from discontinued operations.

IEG Finance Limited
Statement of Financial Position
as at 31 December 2015

	Notes	2015 £	2014 £ (unaudited)
Current assets			
Debtors	6	10,896,966	10,060,639
Cash at bank and in hand		100	100
		<u>10,897,066</u>	<u>10,060,739</u>
Creditors: amounts falling due within one year	7	(7,835)	(11,856)
Net current assets		<u>10,889,231</u>	<u>10,048,883</u>
Net assets		<u>10,889,231</u>	<u>10,048,883</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	10,889,230	10,048,882
Total equity		<u>10,889,231</u>	<u>10,048,883</u>

The financial statements of IEG Finance Limited, registered number 05413049, were approved by the Board of Directors and authorised for issue on:

They were signed on its behalf by: *21 September 2016*


D Corney
Director

IEG Finance Limited
Statement of Changes in Equity
for the year ended 31 December 2015

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2014 (unaudited)	1	10,048,882	10,048,883
At 31 December 2014 (unaudited)	<u>1</u>	<u>10,048,882</u>	<u>10,048,883</u>
At 1 January 2015 (unaudited)	1	10,048,882	10,048,883
Profit for the financial year	-	840,348	840,348
At 31 December 2015	<u>1</u>	<u>10,889,230</u>	<u>10,889,231</u>

IEG Finance Limited
Notes to the Financial Statements
for the year ended 31 December 2015

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 is 1 January 2014.

On transition no changes to accounting policy or transitional adjustments have been identified which affect the financial position and financial performance reported in the previous financial statements. Accordingly no amendments have been made to the financial position previously reported at 31 December 2014.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to members of a group where consolidated financial statements are publicly available. Exemptions have been taken in relation to the presentation of a cash flow statement and remuneration of key management personnel.

Going concern

As the Company does not trade the financial statements are prepared on a basis other than going concern. Despite this, no adjustments have been deemed necessary to make to the carrying value of any assets or liabilities. Further details are disclosed within the Strategic report and Directors' report.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

IEG Finance Limited
Notes to the Financial Statements
for the year ended 31 December 2015

1 Summary of significant accounting policies (continued)

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

2 Prior year comparatives

The comparatives for the year ended 31 December 2014 are unaudited as the Company was exempt from audit under Section 480 of the Companies Act 2006 relating to dormant companies.

3 Operating loss

Audit fees of £2,500 (2014 (unaudited): £nil) were borne by another Group company during the year on behalf of the Company.

4 Directors' emoluments and staff costs

The Directors received no emoluments in the year (2014 (unaudited): £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.

IEG Finance Limited
Notes to the Financial Statements
for the year ended 31 December 2015

5 Taxation	2015	2014
	£	£
		(unaudited)
Analysis of charge in year		
Current tax:		
Adjustments in respect of previous years	<u>(840,498)</u>	<u>-</u>
Tax on loss on ordinary activities	<u>(840,498)</u>	<u>-</u>

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2015	2014
	£	£
		(unaudited)
Loss on ordinary activities before tax	<u>(150)</u>	<u>-</u>
Standard rate of corporation tax in the UK	20.25%	21.50%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(30)	-
Effects of:		
Expenses not deductible for tax purposes	30	-
Adjustments to tax charge for group relief surrendered in respect of prior periods	(840,498)	-
Current tax credit for year	<u>(840,498)</u>	<u>-</u>

The prior year adjustment to current tax relates to group relief surrendered in respect of the year ended 31 December 2013. The intercompany payment for which has been finalised as a prior year adjustment in this period, in line with the 2 year time limit for amending group relief.

Factors that may affect future tax charges

The Finance Act 2013, which provides for a reduction in the main rate of corporation tax from 21% to 20% effective from 1 April 2015, was substantively enacted on 3 July 2013.

Reductions in the corporation tax rate to 19% from 1 April 2019 and 18% from 1 April 2020 were substantively enacted on 26 October 2015.

The Company has no unrecognised deferred tax assets or liabilities as at 31 December 2015 (2014 (unaudited): £nil).

IEG Finance Limited
Notes to the Financial Statements
for the year ended 31 December 2015

6 Debtors	2015	2014
	£	£
		(unaudited)
Amounts due from fellow group undertakings	<u>10,896,966</u>	<u>10,060,639</u>

Amounts due from fellow group undertakings are unsecured, non-interest bearing and repayable on demand.

7 Creditors: amounts falling due within one year	2015	2014
	£	£
		(unaudited)
Accruals and deferred income	<u>7,835</u>	<u>11,856</u>

8 Share capital	2015	2015	2014
	Number	£	£
			(unaudited)
<i>Authorised:</i>			
Ordinary Shares of £1 each	100	100	100
'A' Preference Shares of £0.01 each	90,000,000	900,000	900,000
'B' Preference Shares of £0.01 each	20,000,000	200,000	200,000
'C' Preference Shares of €0.01 each (€400,000)	40,000,000	276,760	276,760
		<u>1,376,860</u>	<u>1,376,860</u>

	2015	2015	2014
	Number	£	£
			(unaudited)
<i>Allotted, called up and fully paid:</i>			
Ordinary Shares of £1 each	1	<u>1</u>	<u>1</u>

9 Profit and loss account	£	£
		(unaudited)
At 1 January	10,048,882	10,048,882
Profit for the financial year	840,348	-
	<u>10,889,230</u>	<u>10,048,882</u>
At 31 December		

10 Related party transactions

The Company has taken advantage of the exemption provided by FRS 102 paragraph 33.1A not to disclose transactions with other wholly-owned Group undertakings.

The Company has taken advantage of the exemption provided by FRS 102 paragraph 1.12 (e) not to disclose key management personnel compensation.

IEG Finance Limited
Notes to the Financial Statements
for the year ended 31 December 2015

11 Controlling party

The Company's immediate parent undertaking is IEG Infrastructure Limited, a Company registered in England and Wales. The Company's ultimate parent undertaking is Brookfield Infrastructure Partners L.P., which is registered in Bermuda.

The smallest and largest group of which the Company is a member and for which group financial statements are prepared 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.

12 Presentation currency

The financial statements are presented in Sterling, which is also the functional currency.

13 Legal form of entity and country of incorporation

IEG Finance Limited is a private limited company incorporated in England.

14 Principal place of business

The address of the company's principal place of business and registered office is:

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