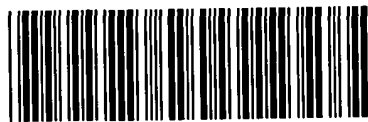


REGISTERED NUMBER: 05983121 (England and Wales)

**AIBEL FINANCE LTD**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Statement of Income and Retained Earnings</b>	<b>7</b>
<b>Statement of Financial Position</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>

**AIBEL FINANCE LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**DIRECTORS:**

J A Svensson  
S H Ausland

**SECRETARY:**

S H Ausland

**REGISTERED OFFICE:**

Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**REGISTERED NUMBER:**

05983121 (England and Wales)

**AUDITORS:**

Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report for the year ended 31 December 2021.

**REVIEW OF BUSINESS**

The results for the financial year show a loss before taxation of \$5,335,000 (2020: \$16,022,000). The company has net liabilities of \$181,236,000 (2020: \$175,902,000).

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company has put in a risk management policy to manage the financial risks to which it is exposed. The major financial risk factors are as follows:

**Capital Risk**

The company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

**Impairment Risk**

As a result of the investment in its subsidiary held by the Company, there is a risk that this could become impaired whereby the value in use would be less than the carrying value of the investment.

**SECTION 172(1) STATEMENT**

The relationship with stakeholders is of great importance to the Aibel group, which comprises of the ultimate parent company Aibel ASA and all its subsidiaries, including Aibel Finance Ltd.

Creating and maintaining good relationships with stakeholders are expected by every director and employee in the group as part of the "We care" program (*We care for our Shareholders, Clients, Employees and Society*), which has been promoted within the group for more than one decade.

Further, all directors and employees within the group are obliged to follow the ethical guidelines set forth by the Aibel Code of Conduct (CoC). The CoC demands compliance with all relevant legislation as well as appropriate and considerate behavior towards other individuals within and outside the group. Frequent CoC training is compulsory for key personnel, including the directors of Aibel Finance Ltd, to ensure that the CoC framework is well known and being adhered to.

As Aibel Finance Ltd is a fully owned subsidiary, thus part of the Aibel group, said programs comprise Aibel Finance Ltd as well. Because Aibel Finance Ltd is a holding company without any operational activity nor any employees, the direct stakeholder interaction is limited to comprise Shareholders, Suppliers and Regulatory bodies.

Even though direct stakeholder interaction is limited due to the nature of the company, the directors support and promote that all business shall be conducted in a fair, competitive and commercially optimized manner within the prevailing legislative framework, to comply with company standards, fulfill all regulatory obligations and protect shareholder values.

The directors of Aibel Finance Ltd are obliged to conduct appropriate decision making as deemed necessary to foster the company's business relationships with its relevant stakeholders. Given the insignificant activity within the company, no major decisions have been required by the directors during the financial year.

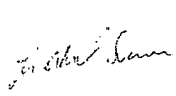
**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**FINANCIAL KEY PERFORMANCE INDICATORS**

Given the straightforward nature of the business; it is the opinion of the company's directors that application of analysis employing KPIs is not necessary to obtain an understanding of the development, performance and position of the business.

**ON BEHALF OF THE BOARD:**



Digitally signed by  
Jon-Aksel Svensson  
Date: 2022.08.04  
13:06:18 +02'00'

.....  
J A Svensson - Director

Date: .....

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

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

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company is that of a holding company. The company is a 100% subsidiary of Aibel Ltd, a company incorporated in England whose ultimate parent is Aibel ASA.

The company owns 100% of the shares in Aibel Group Limited.

**DIVIDENDS**

The company made a loss for the financial year of \$5,335,000 (2020: \$16,022,000).

The directors do not recommend the payment of a dividend (2020:\$nil).

**FUTURE DEVELOPMENTS**

Aibel Group Limited is the parent company of a group of companies. The company will continue as a holding company for the foreseeable future.

**EVENTS SINCE THE END OF THE YEAR**

There have been no events since the end of the year to report in these financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

J A Svensson  
S H Ausland

**FINANCIAL RISK MANAGEMENT**

**Objectives and Policies**

The company's principal risk is asset impairment risk, especially related to impairment of the investments in subsidiaries. Another potential risk is capital risk in order to continue as a going concern.

The company is also exposed to a variety of financial risks, primarily indirectly through its investments. The company's overall risk management programme seeks to minimise potential risks for the company. The board reviews and agrees policies for managing risks. The most important components of financial risk affecting the company are price risk, interest rate risk, liquidity risk, and foreign currency risk. Also see Principal risks in the Strategic Report.

**Price risk**

The company is exposed to price risk as a result of its operations. In order to manage this exposure the company seeks to secure fixed price agreements with suppliers.

**Liquidity risk**

Liquidity risk is the risk that cash may not be available to pay obligations when due. This risk is managed centrally by the ultimate parent company. The board is satisfied that the company is not subject to significant liquidity risk at the year end.

**Interest rate risk**

The company's income is substantially independent of changes in interest rates. The company mainly finances its operations through borrowings from fellow group companies. The company's borrowings are at rates determined centrally by the ultimate parent company.

**Foreign currency risk**

The company is exposed to foreign exchange risk as a result of its operations. The group does not manage its exchange rate risk at the individual company level. The policy of the group is to manage exchange rate risk on an overall group basis.

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

**DIRECTORS' INDEMNITIES**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent company (Aibel ASA) also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of all group companies and their Directors.

**GOING CONCERN**

Notwithstanding net liabilities of \$181,236,000 (2020: net liabilities of \$175,902,000), the financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reasons: the company is dependent for its working capital on funding provided by Aibel ASA, its ultimate parent company. Aibel ASA has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors are satisfied this will enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been following, 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.

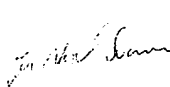
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Morris Crocker Limited, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

**ON BEHALF OF THE BOARD:**

 Digitally signed by Jon  
Akse-Svensson  
Date: 2022.08.04  
13:06:51 +02'00'

.....  
J A Svensson - Director

Date: .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AIBEL FINANCE LTD**

### **Opinion**

We have audited the financial statements of Aibel Finance Ltd (the 'company') for the year ended 31 December 2021, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state 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 Auditors' 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 for 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 for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AIBEL FINANCE LTD**

### **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 the Report of the Directors.

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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

### **Auditors' 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 a Report of the Auditors 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.

In respect of irregularities, fraud and going concern:

Based on these discussions and our own assessments we determined that the key risk areas were investment valuations and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of net assets. As a non-trading holding company, this figure would be most consistent and suitable and therefore was used to determine materiality

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed systems and controls which have been designed to act as a preventative measure against fraud and error appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of investment valuation and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### 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 a Report of the Auditors 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.



Martin Southern BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

31 August 2022

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 \$'000	2020 \$'000
<b>TURNOVER</b>		-	-
Administrative expenses		<u>6</u>	<u>11</u>
<b>OPERATING LOSS</b>	5	(6)	(11)
Finance income	7	<u>5</u>	<u>4</u>
		(1)	(7)
Loss on provision for shares in group undertakings		-	(10,668)
Finance costs	8	<u>5,333</u>	<u>5,347</u>
<b>LOSS BEFORE TAXATION</b>		(5,335)	(16,022)
Tax on loss	9	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		(5,335)	(16,022)
Retained earnings at beginning of year		<u>(402,250)</u>	<u>(386,228)</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>		<u>(407,584)</u>	<u>(402,250)</u>

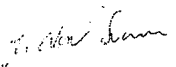
The notes form part of these financial statements

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2021**

	Notes	2021 \$'000	2020 \$'000
<b>FIXED ASSETS</b>			
Investments	10	<u>5</u>	<u>5</u>
<b>CURRENT ASSETS</b>			
Cash at bank		-	-
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>181,241</u>	<u>175,907</u>
<b>NET CURRENT LIABILITIES</b>		<u>(181,236)</u>	<u>(175,902)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(181,236)</u>	<u>(175,902)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	100	100
Share premium	13	49,876	49,876
Capital redemption reserve	13	176,372	176,372
Retained earnings	13	<u>(407,584)</u>	<u>(402,250)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>(181,236)</u>	<u>(175,902)</u>

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:


 Digitally signed by Jon  
 Aksel Svensson  
 Date: 2022.08.04  
 13:07:50 +02'00'

.....

J A Svensson - Director

The notes form part of these financial statements

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

**1. STATUTORY INFORMATION**

Aibel Finance Limited ("the company") is a private company limited by shares registered in England and Wales. The company is incorporated and domiciled in the United Kingdom. The address of its registered office is Station House, 50 North Street, Havant, Hants PO9 1QU. The registered number of the company is 05983121.

The principal activity of the company is that of a holding company.

**2. STATEMENT OF COMPLIANCE**

The individual financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The financial statements have been prepared in accordance with FRS 102.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in policy "Critical accounting judgements and key sources of estimation uncertainty" included within this note.

The company is a wholly owned subsidiary of Aibel ASA and is included in the consolidated financial statements of Aibel ASA which are publicly available. The company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

Notwithstanding net liabilities of \$181,236,000 (2020: net liabilities of \$175,902,000), the financial statements have been prepared (as stated above) on a going concern basis, which the directors believe to be appropriate for the following reasons:

The company is dependent for its working capital on funding provided by Aibel ASA, its ultimate parent company. Aibel ASA has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors are satisfied this will enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

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

**3. ACCOUNTING POLICIES - continued**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

**Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The directors consider that the key source of estimation uncertainty is the recoverability of the carrying value of investments in subsidiaries. This is expected to be recovered through the carrying value of the assets of the subsidiaries, and through the cash generated by Egyptian Maintenance Company, which is partially owned within the group and continues to generate profits.

**Investments in subsidiaries**

Investments are stated at cost, less any provision for impairment in value. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Any impairment identified is recognised in the statement of income and retained earnings.

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

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

**i) Financial assets**

Basic financial assets, including cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income and retained earnings.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of income and retained earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The company does not hold or issue derivative financial instruments.

**iii) Offsetting**

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of income and retained earnings. Current or deferred taxation assets and liabilities are not discounted.

**i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

**ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

**Foreign currencies**

**i) Functional and presentation currency**

The company's functional currency is US dollars and presentation currency is US dollars.

**ii) 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 the statement of income and retained earnings.

**Cash at bank**

Cash at bank includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

**Related party transactions**

As the company is a wholly owned subsidiary of Aibel ASA, the company has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Aibel ASA, within which this company is included, can be obtained from the address given in the ultimate controlling party note.



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

**4. DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION**

The average number of employees during the year was as follows:

2021	2020
<u>2</u>	<u>2</u>

The emoluments of all directors are paid by the ultimate parent company. Their services to this company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the ultimate parent company. Accordingly, the accounts include no emoluments in respect of the directors (2020: \$nil).

There are no directors (2020: none) to whom retirement benefits are accruing under a money purchase pension scheme.

**5. OPERATING LOSS**

Operating profit/loss is stated after charging

	2021 \$'000	2020 \$'000
Auditors' remuneration	5	5
Auditors' remuneration for non-audit work	-	6
	<u>5</u>	<u>11</u>

**6. AUDITORS' REMUNERATION**

	2021 \$'000	2020 \$'000
Fees payable to the company's auditors for the audit of the company's financial statements	5	5
Auditors' remuneration for non-audit work	<u>-</u>	<u>6</u>

**7. FINANCE INCOME**

	2021 \$'000	2020 \$'000
Interest receivable from other group	<u>5</u>	<u>4</u>

**8. FINANCE COSTS**

	2021 \$'000	2020 \$'000
Interest payable	<u>5,333</u>	<u>5,347</u>

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

**9. TAXATION****Income tax expense**

	2021 \$000	2020 \$000
UK corporation tax on loss for the year at 19% (2020 - 19.00%)	-	-
Deferred taxation - current year	-	-
Total tax charge	-	-

Finance (No. 2) Act 2015 was substantively enacted on 26 October 2015 and reduced the main rate of corporation tax in the UK to 19% from 1 April 2017. Finance Bill 2021 was substantively enacted on 24 May 2021 so from 1 April 2023 the main rate of corporation tax in the UK will increase to 25% for businesses with profits over £250,000, with a marginal rate between that and profits under £50,000, which will continue to be taxed at 19%.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been substantively enacted at the balance sheet date.

**Factors affecting the tax for the current year**

The tax charge for the year is higher (2020: higher) than the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	2021 \$000	2020 \$000
Loss before taxation	(5,335)	(16,022)
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 19% (2020: 19.00%)	(1,017)	(3,044)
Effects of:		
Group relief not paid	1,017	1,015
Impairment not taxable	-	2,029
Total tax charge	-	-

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

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

**10. FIXED ASSET INVESTMENTS**

	Shares in group undertakings \$'000
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>282,064</u>
<b>PROVISIONS</b>	
At 1 January 2021	282,059
Provision for year	<u>-</u>
At 31 December 2021	<u>282,059</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>5</u>
At 31 December 2020	<u>5</u>

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021****10. FIXED ASSET INVESTMENTS - continued**

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Aibel Group Limited**

Registered office: Station House, 50 North Street, Havant, Hants PO9 1QU

Nature of business: Holding company

Class of shares:	%
Ordinary	Holding 100.00

The table below sets out the name, country of registration, ownership interest and primary business activity of the company's direct subsidiary. The subsidiary holdings are ordinary shares.

Company Name	Country of registration	Ownership	Book Value investment \$000	Primary business activity
Aibel Group Limited	United Kingdom	100% ordinary shares	5	Holding company

Company address: Aibel Group Limited, Station House, 50 North Street, Havant, Hants PO9 1QU

The directors have reviewed the carrying value of the company's investments as at 31 December 2021. The carrying value of the investments is written down to \$5,000. The impairment has been booked due to write down of intercompany items in the subsidiary. It is not likely that the receivable will be paid. The subsidiary company had net assets of \$5,000 (2020: \$5,000) as at 31 December 2021.

Indirect ownership:

As of 31 December 2021, Aibel Finance Limited holds shares of the following companies indirectly:

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares held
Aibel Holding Limited Address: See below	United Kingdom	Holding Company	100%

Post address for all the above companies are: c/o Aibel Holding Limited, c/o Morris Crocker Ltd, Station House, 50 North Street, Havant, P09 1QU, England.

**Joint Ventures (Owned by Aibel Holding Limited)**

	Country of incorporation	Principal activity	Percentage of shares held
Egyptian Maintenance Company 20, Ninety St. City Admin Center New Cairo, Egypt	Egypt	Maintenance, modification and operation of existing production facilities	50%

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

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

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 \$'000	2020 \$'000
Amounts owed to group undertakings	181,236	175,902
Accruals and deferred income	<u>5</u>	<u>5</u>
	<u><u>181,241</u></u>	<u><u>175,907</u></u>

Included in amounts owed to group undertakings are loans amounting to \$87,603,000 (2020: \$87,597,000) which are payable on demand and are unsecured. These loans bore interest at the company's cost of funds, which was 6.0% per annum during 2021 (2020: 6%). At 31 December 2021 the total unpaid interest was \$93,633,000 (2020: \$88,304,000).

**12. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2021 \$'000	2020 \$'000
Number:	Class:	Nominal value:		
9,995,280	Ordinary	\$0.01	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital

**13. RESERVES**

	Retained earnings \$'000	Share premium \$'000	Capital redemption reserve \$'000	Totals \$'000
At 1 January 2021	(402,250)	49,876	176,372	(176,002)
Deficit for the year	<u>(5,335)</u>	<u>-</u>	<u>-</u>	<u>(5,335)</u>
At 31 December 2021	<u><u>(407,585)</u></u>	<u><u>49,876</u></u>	<u><u>176,372</u></u>	<u><u>(181,337)</u></u>

**14. CONTINGENCIES**

The company is a participant in a group banking arrangement under which it has issued an unlimited guarantee to support those group facilities.

**15. DEFERRED TAX**

A deferred tax asset of \$22,355,514 (2020: \$21,341,873) arising on losses, has not been recognised at 31 December 2021 (2020: nil) as the company is not expected to generate a taxable profit in the foreseeable future.

**AIBEL FINANCE LTD (REGISTERED NUMBER: 05983121)**

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

**16. COVID-19 PANDEMIC**

The pandemic is estimated to have no financial effect on the company.

**17. ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking is Aibel Ltd.

The ultimate parent undertaking and controlling party is Aibel ASA, a company registered in Norway.

Aibel ASA is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2021. The consolidated financial statements of Aibel ASA are available from its offices at Vestre Svanholmen 14, 4313 SANDNES, Norway.

No other company below Aibel ASA, the ultimate parent undertaking, consolidates these financial statements at 31 December 2021.

**18. INTEREST RATE REFORM**

As the loans are based on an interest rate determined centrally by the ultimate parent company, they are unaffected by the Interest Rate Benchmark Reform.