

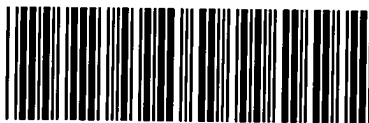


Globeleq Nigeria Limited

Annual Report and Financial Statements

For the year ended 31 December 2022

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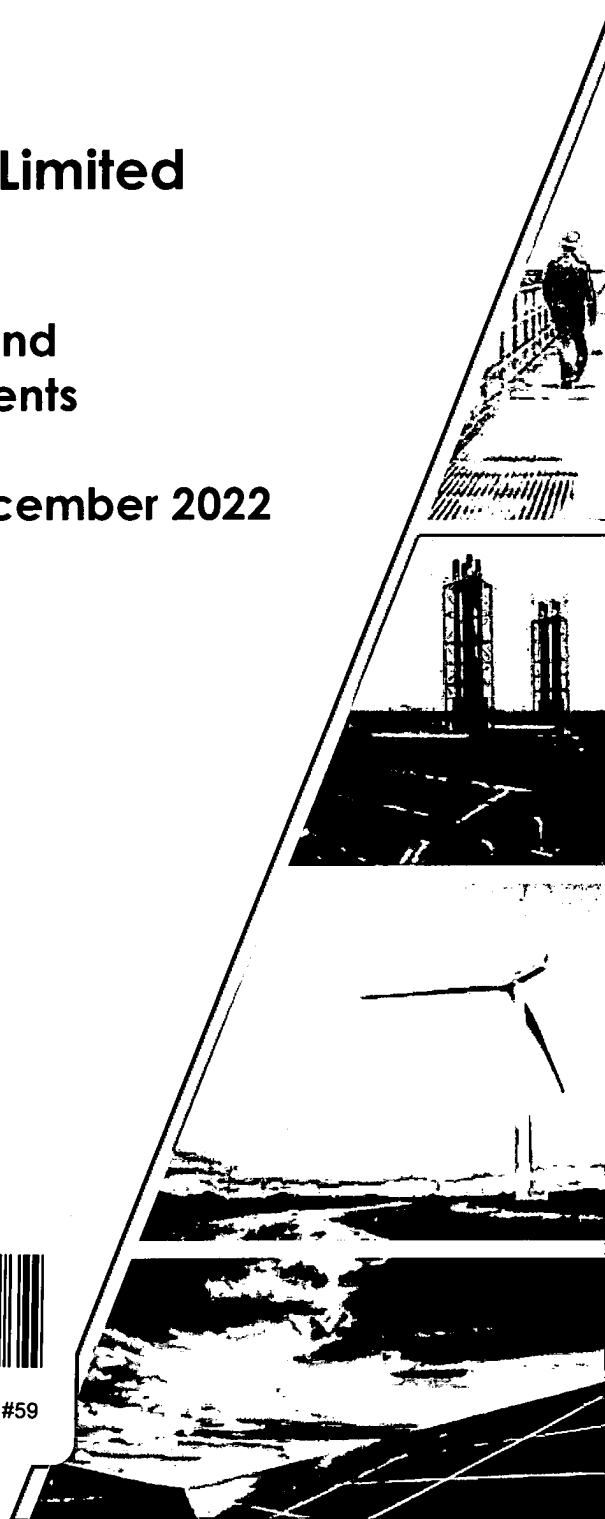
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COMPANIES HOUSE



Registered No. 12820026

Directors

Andrew Stephen James Ramsay
Saira Boltwood

Secretary

Andrew Stephen James Ramsay
Kimberley Dakwa

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

6th Floor
67 Lombard Street
London
EC3V 9LJ

Principal place of business

6th Floor
67 Lombard Street
London
EC3V 9LJ

Strategic report

The directors present their strategic report for the year ended 31 December 2022.

Principal activities

Globeleq Nigeria Limited's (the "Company") principal activity is to hold investments in Nigeria. The Company is directly owned by Globeleq Africa Limited, a subsidiary of Globeleq Limited. Globeleq Limited and its subsidiaries (the "Group") develop, own and operate power plants across Africa.

It is the intention of the directors that the above business of the Company will continue for the foreseeable future.

The Company was incorporated on 18 August 2020.

Principal risks, uncertainties and key performance indicators

The business and the execution of the Company's strategy are subject to a number of risks and uncertainties. The key business risks and uncertainties affecting the Company are considered to relate to the strength and volatility of the Africa energy market. This includes changes to the overall Africa energy market and local government policies, which affect the success rate of developing the power plants in Nigeria.

The Company's primary concern is to ensure the return of investment from its future investments in a profitable and sustainable manner which involves monitoring the future investments to operate their plants efficiently, including ensuring employees are safe, and growing the business through business development activities.

Financial risk management

The financial management risks that impact Company are explained below.

- **Liquidity risk**
Liquidity risk is the risk that the Company will not have sufficient funds to meet its liabilities. Cash forecasts identifying the liquidity requirements of the Group are produced frequently. These are reviewed regularly to ensure sufficient financial headroom exists for at least a 12-month period.
- **Currency exposures**
Currency exposures give rise to exchange gains and losses. Such exposures comprise those monetary assets and liabilities of Group companies that are not denominated in their functional currency.

Key performance indicators

The key performance indicators of the business are integrated with Globeleq Africa Holding Limited. The directors of Globeleq Africa Holding Limited oversee the group's operations on a consolidated basis. Further discussion of the performance of the group, including the Company, is provided within the strategic report of the Globeleq Africa Holding Limited annual report which does not form part of this report.

By order of the board of directors on 29th July 2023

A handwritten signature in black ink, appearing to read 'S. Boltwood', with a stylized flourish at the end.

Saira Boltwood
Director

Directors' report

The directors present their annual report and audited financial statements of Globeleq Nigeria Limited (the "Company") for the year ended 31 December 2022.

Review of activities and future developments

The directors do not expect any significant changes to the principal activities of the Company in the foreseeable future.

On 7 December 2022 Group management disposed of Globeleq Power Solutions Nigeria Limited (GPSNL), by transferring the control over Globeleq Power Solutions Limited (GPSL) to the former owner Clean Energy Holdings Limited ("CEHL").

Results and dividends

The loss for the year ended 31 December 2022 was \$1,440,699 (2021: \$6,380,216).

Dividends declared in the year ended 31 December 2022 were \$nil (2021: \$nil)

Directors and their interests

The Directors of the Company during the reporting period and as at the date of this report, are as follows:

- Andrew Stephen James Ramsay (appointed 18 August 2020)
- Saira Boltwood (appointed 9 November 2021)

None of the directors at any time during the year ended 31 December 2022 or subsequent to 31 December 2022 had any interest in shares or debentures of the Company.

None of the directors at any time during the year ended 31 December 2022 had any material interest in any contracts with the Company or its subsidiaries.

Charitable contributions

The Company did not make any charitable contributions during the year (2021: none).

Political contributions

The Company did not make any political contributions during the year (2021: none).

Going concern

The Company's parent undertaking has committed to provide financial support to the Company, should it be required, for the period to 31 July 2024.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 31 July 2024. Taking into account continuing support from the parent company, the directors are comfortable with the financial statements being prepared on a going concern basis.

Potential impacts (such as residual Covid-19 concerns, climate change and other risks to the business) to the cash flows of the Group and its subsidiaries continue to be monitored. This includes stress testing through a range of potential outcomes, including the possibility of a significant reduction in distributions from operating subsidiaries. Even under extreme stress test scenarios, the Group remains solvent and has access to committed funds from shareholders for equity investment and can draw down on the corporate revolver facility for further working capital requirements.

It can therefore be considered that the Company has access to sufficient financial resources to meet its liabilities as they fall due and it can be reasonably expected that those financial resources will be made available to the Company in order to meet the foreseeable cash requirements.

Disclosure of information to the auditors

Each of the persons who is a director at the date of approval confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish the Company's auditors are aware of that information.

Auditors

Ernst & Young LLP acted as auditors during the year. A resolution to reappoint them as auditors will be proposed at the forthcoming general meeting at which this report and financial statements are presented.

By order of the board of directors on 29th July 2023.



Saira Boltwood
Director

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report and 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 period. 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 Financial Reporting Standard 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 period. In preparing those 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;
- 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 proper accounting records that 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.

The directors confirm that they have complied with the requirements; having a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBELEQ NIGERIA LIMITED

Opinion

We have audited the financial statements of Globeleq Nigeria Limited for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 11, 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 FRS 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 company's affairs as at 31 December 2022 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 for the period to 31 July 2024.

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.

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 7, 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.

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.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant those that relate to the reporting framework (FRS 102, Companies Act 2006 and Bribery Act 2010) and the relevant tax compliance regulations in the jurisdiction in which the company operates.
- We understood how Globeleq Nigeria Limited is complying with those frameworks by making inquiries of management, those responsible for legal and compliance procedures and those with charged with governance. We corroborated our inquiries through our review of minutes of Board of Directors meetings and the review of various correspondence examined in the context of our audit and noted that there was no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by gaining an understanding of

the entity level controls and policies that the Company applies. We performed walkthrough procedures to understand the financial statement close process. Our procedures also included a risk-based sample of journal entries that have been posted with the intention of overriding internal controls. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of management and review of management reports to the Audit Committee of the Company's parent undertaking.

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.



.....
William Testa (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date **31 July 2023**

Statement of Comprehensive Income for the year ended 31 December 2022

	Notes	2022	17 months to 31 December 2021 \$
Administrative expenses	3	(7,296)	(20,761)
Operating loss on ordinary activities		(7,296)	(20,761)
Impairment of investments	5	-	(7,407,410)
Impairment of loan receivable	6	(934,689)	(10,283,294)
Gain from derecognition of contingent consideration payable	7	-	10,119,923
Loss on disposal of subsidiaries	5	(500,000)	-
Finance income	4	1,286	1,211,326
Loss on ordinary activities before taxation		(1,440,699)	(6,380,216)
Tax on loss on ordinary activities		-	-
Loss after taxation		(1,440,699)	(6,380,216)

All amounts are derived from continuing operations in the current year. There is no other comprehensive income during the year.

Statement of Financial Position as at 31 December 2022

	Notes	2022 \$	2021 \$
Assets			
Non-current assets			
Investment in subsidiaries	5	-	-
Debtors	6	2,065,311	-
		<u>2,065,311</u>	-
Current assets			
Debtors	6	-	1
Bank	7	273	-
		<u>273</u>	1
TOTAL ASSETS		<u>2,065,584</u>	1
Current liabilities			
Creditors	8	9,886,498	6,380,216
		<u>9,886,498</u>	<u>6,380,216</u>
Total liabilities		<u>9,886,498</u>	<u>6,380,216</u>
Capital and reserves			
Share capital	9	1	1
Retained Earnings		(7,820,915)	(6,380,216)
Equity shareholders' funds		<u>(7,820,914)</u>	<u>(6,380,215)</u>
TOTAL EQUITY AND LIABILITIES		<u>2,065,584</u>	1

The financial statements were approved by the board on 29 July 2023 and signed on their behalf by:



Saira Boltwood
Director



Andrew Stephen James Ramsay
Director

Statement of Changes in Equity

For the year ended 31 December 2022

	Called up share capital \$	Retained earnings \$	Total equity \$
At 18 August 2020	1	-	1
Loss for the period	-	(6,380,216)	(6,380,216)
Total movement for the period	-	(6,380,216)	(6,380,216)
At 31 December 2021	1	(6,380,216)	(6,380,215)
Loss for the year	-	(1,440,699)	(1,440,699)
Total movement for the year	-	(1,440,699)	(1,440,699)
At 31 December 2022	1	(7,820,915)	(7,820,914)

Notes to the financial statements

1. Corporate information

The principal activities of the Company are to provide advisory and support services to the Globeleq Group (the "Group") and hold investments in Nigeria.

The Company was incorporated and domiciled in England and Wales as a private limited entity. Registered address is 6th Floor, 67 Lombard Street, London, EC3V 9LJ, United Kingdom.

2. Accounting policies

Statement of compliance

The financial statements 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.

Exemptions for qualifying entities under FRS102

FRS102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. The company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the following disclosure exemptions available to it in respect of its individual financial statements:

- i) from preparing a statement of cash flows;
- ii) from disclosing the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures of Globeleq Africa Holdings Limited.
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv); and
- iv) from disclosing the company key management personnel compensation in total, as required by FRS102 paragraph 33.7.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the 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 note 2.

Notes to the financial statements

2. Accounting policies (*continued*)

Going concern

The Company's parent undertaking has committed to provide financial support to the Company, should it be required, for the period to 31 July 2024.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 31 July 2024. Taking into account continuing support from the parent company, the directors are comfortable with the financial statements being prepared on a going concern basis.

Potential impacts (such as residual Covid-19 concerns, climate change and other risks to the business) to the cash flows of the Group and its subsidiaries continue to be monitored. This includes stress testing through a range of potential outcomes, including the possibility of a significant reduction in distributions from operating subsidiaries. Even under extreme stress test scenarios, the Group remains solvent and has access to committed funds from shareholders for equity investment and can draw down on the corporate revolver facility for further working capital requirements.

It can therefore be considered that the Company has access to sufficient financial resources to meet its liabilities as they fall due and it can be reasonably expected that those financial resources will be made available to the Company in order to meet the foreseeable cash requirements.

Currency

The financial statements are expressed in US Dollars ("\$"), which is the Company's functional currency.

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 comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance (expense)/income'.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the financial statements

2. Accounting policies (continued)

Investment in subsidiaries

These comprise investments in shares and loans that the Company intends to hold on a continuing basis. The investments in subsidiaries are stated at cost, less provisions for impairment. The Company carries out a review for the potential impairment of an investment if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with IAS 36. Any impairments are recorded in the profit and loss account.

If, after an impairment loss has been recognised, the recoverable amount of an investment increases because of a change in economic conditions or in the expected use of the asset, the resulting reversal of the impairment loss is recognised in the current year to the extent that it increases the carrying amount of the fixed asset up to the amount it would have been had the original impairment not occurred.

Cash and cash equivalents

Cash and cash equivalents include 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. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Judgement Used In Applying Accounting Policies and Sources of Estimation Uncertainty

The preparation of financial statements requires management to make judgements, estimates and apply assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The key assumptions concerning the future and other key sources of estimation uncertainty at each balance sheet date that could have a significant risk of causing a material adjustment include financial assets. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised. In particular, information about the significant areas of estimation uncertainty and critical judgements in applying accounting policies that have had a significant effect on the amounts recognised in the financial statements are described below.

Notes to the financial statements

2. Accounting policies (continued)

Critical accounting estimates and assumptions:

Going concern

The financial statements of the Company are prepared on a going concern basis. Please refer to the paragraph relating to Going Concern in this note.

Recoverability of investments and intercompany loans

At the end of the reporting period, management assessed whether there was objective evidence of impairment of the investment in Globeleq Power Solutions Ltd as well as the intercompany receivables. With the presence of an impairment event discussed in note 5, management performed the assessment of whether the carrying value of the respective assets exceeded their recoverable amounts. In its analysis management was required to make significant estimates over the expected flow of economic benefits from the Company's direct and indirect subsidiaries.

3. Administrative expenses

	2022	17 months to 31 December 2022
	\$	\$
Auditors' remuneration	6,488	6,750
Consultants' expenses	731	1,373
Other administrative expenses	77	12,638
Total Administrative expenses	7,296	20,761

The Company had no employees during the year. None of the directors received nor were due remuneration from the Company for services performed during the year. The directors of the Company are employed and paid by the Company's direct parent.

There were no non-audit services during the year.

4. Net finance income

	2022	2021
	\$	\$
Interest income	-	1,211,116
Foreign currency gain	1,286	210
Net finance income	1,286	1,211,326

Notes to the financial statements

5. Investments in subsidiaries

	2022	2021
	\$	\$
As at the beginning of the period	-	7,407,410
Addition	-	-
Impairment	-	(7,407,410)
Total movement for the period	-	(7,407,410)
As at the end of the year	-	-

On 24th December 2020, the Company acquired Globeleq Power Solutions Nigeria Limited ("GPSNL"), a company based in Nigeria. This was achieved through the acquisition of 74% of the holding company, Globeleq Power Solutions Limited ("GPSL"), a company incorporated in the UK, which had 100% ownership in GPSNL.

As at 31 December 2021, the investment balance was impaired.

On 7 December 2022 Group management disposed of GPSNL by transferring the control over GPSL to the former owner Clean Energy Holdings Limited ("CEHL"). As part of the disposal, the Company paid legal fees amounting to \$500,000 on behalf of CEHL, and this amount has been included in the loss on disposals in the Company's statement of comprehensive income for the year ended 31 December 2022*.

Details of investment in which the Company holds is as follows:

Country of incorporation	Company	Class of share	Percentage share of results included in the financial statements		Principal activities
			2022	2021	
Subsidiary					
UK	Globeleq Power Solutions Limited	Ordinary	-	74.0%	Holding company
Nigeria*	Globeleq Power Solution Nigeria Limited		-	74.0%	Gas fire generation

*Globeleq Power Solution Nigeria Limited was an indirect subsidiary owned through Globeleq Power Solutions Limited. On 8 December 2022, the entities were renamed CE Power Solutions and CE Power Solutions UK Limited, respectively.

The Company has claimed exemption from preparing consolidated financial statements, as a controlled subsidiary of Globeleq Africa Holdings Limited. Consolidated financial statements are prepared by Globeleq Africa Holdings Limited and filed with The United Kingdom's Registrar of Companies ("Companies House").

Notes to the financial statements

6. Debtors

Amounts falling due within one year:

	2022	2021
	\$	\$
Amounts due from group undertakings	-	1
Total debtors	-	1

As of 31 December 2021, the Company had a loan receivable of \$10,283,294 due from GPSNL. After the decision to dispose of GPSNL, Group management reassessed the recoverability of all amounts due from GPSL and GPSNL and concluded an impairment of those balances is required, as their recovery was highly uncertain.

Amounts falling due after one year:

	2022	2021
	\$	\$
Debtors	2,065,311	-
Total debtors	2,065,311	-

On 7 December 2022, the Company and CEHL signed a settlement and termination agreement and subsequently an application for Nigerian regulatory clearance of the share transfer was submitted to the Federal Competition & Consumer Protection Commission.

The transfer of shares was settled through a loan from CEHL to the Company amounting to \$8,261,244 payable three years after the completion date.

The fair value of the \$8,261,244 loan as of the disposal date was determined to be \$2,065,311. A loan impairment of \$934,689 was recognised in the Company's statement of comprehensive income for the year ended 31 December 2022.

7. Cash and cash equivalents

	2022	2021
	\$	\$
Cash and cash equivalents	273	1
Total Cash and cash equivalents	273	1

Notes to the financial statements

8. Creditors

Amounts falling due within one year:

	2022	2021
	\$	\$
Amounts due to group undertakings	7,877,752	6,372,092
Deferred and contingent consideration	2,000,000	-
Accruals	8,746	8,124
Total creditors	9,886,498	6,380,216

Pursuant to a settlement and termination agreement dated 7 December 2022, \$2,000,000 contingent consideration will become payable by the Company to CEHL upon payment of \$1,500,000 by CEHL to Cummins Power Generation Limited on behalf of GPSNL. A liability for this amount has been recorded as it is considered probable that this will become payable.

9. Share capital

	2022	2021
	\$	\$
Authorised share capital: 1 ordinary share of £1 each	1	1
Allotted, called up and fully paid: 1 ordinary share of £1 each	1	1

10. Related party transactions

During the year, the Company conducted transactions with the following related parties:

- Globeleq Africa Limited is the immediate parent Company and sole shareholder of the Company. The Company incurred expenses in relation to investment in Globeleq Power Solutions Nigeria Limited and other operating expenses amounting to \$1,505,661 (2021: \$6,372,091), which were paid on its behalf by Globeleq Africa Limited during the year.

	2022 Net receivable/ (payable) \$	2021 Net receivable/ (payable) \$
Balance sheet		
Globeleq Africa Limited	(7,877,752)	(6,372,091)
Total	(7,877,752)	(6,372,091)

Notes to the financial statements

11. Ultimate parent Company

The Company is a wholly owned subsidiary of Globeleq Africa Limited, which is a wholly owned subsidiary of Globeleq Africa Holdings Limited.

The Company's ultimate parent undertaking is Globeleq Limited (Guernsey), Second Floor Regency Court, Gategny Esplanade, St Peter Port, Guernsey, GY1 1WW which is itself owned by British International Investment plc and the Norwegian Investment Fund for Developing Countries.