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IMPALA KOOKABURRA LIMITED

MC-136274

UK Foreign Company No: FC028028


UK Branch No: BR009729

ANNUAL REPORT AND NON-STATUTORY FINANCIAL STATEMENTS

For the year ended 31 December 2015

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Directors' report

The Directors present their report and audited non-statutory financial statements of Impala Kookaburra Limited (the Company) for the year ended 31 December 2015

Principal activities

The Company is an investment holding company with an investment in IPM Peacock Limited

Business review

The accompanying financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) for both periods presented. The application of FRS 101 represents a transition from reporting under previous UK GAAP, which was applied in the preparation of last year's financial statements. The Company has taken advantage of the disclosure exemptions allowed under this standard. The Company's shareholder was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. The material recognition and measurement differences arising on the adoption of FRS 101 are included in note 12.

The results of the Company are as follows

	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Profit/(loss) for the financial year	468,589	(160,059)

As shown in the income statement on page 7, the Company made a profit for the financial year as compared with a loss in the preceding financial year. This was mainly because of the increase in income from shares in group undertakings.

The statements of financial position on page 8 of the financial statements show the Company's financial position at the end of the current and preceding financial year. The net assets have decreased from US\$1,758,008,000 to US\$1,654,610,000 because of the dividend paid partially offset by the profit for the financial year.

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

Dividends

An interim dividend of US\$571,987,000, proposed by the Directors, was paid on 23 November 2015, in respect of the year ended 31 December 2015 (2014: US\$nil).

Events after the end of the reporting period

There have been no significant events since the reporting date which should be considered for a proper understanding of these financial statements.

Future developments

The Company has no significant future developments to report.

Principal risks and uncertainties*Credit risk*

The largest receivables relate to amounts lent to group undertakings within the ENGIE group for which the Company can demand repayment at any time. The Company continually reviews its receivable position and the credit risk associated with this position and the Directors believe that payment default remains a low risk.

Directors' report (continued)**Principal risks and uncertainties (continued)***Currency risk*

The Company has transactions in currencies other than its functional currency. Transaction exposure arises on interest income on amounts owed by ENGIE group undertakings denominated in euro. The Company matches transaction exposures in advance where possible. The Company's policy is to match transaction exposure where possible by using foreign currency contracts and similar instruments. The Directors have assessed the exposure to currency transaction risk as acceptable.

The Company has translation risk on monetary assets and liabilities denominated in currencies other than its functional currency. As at 31 December 2015 the Company has amounts owed by ENGIE group undertakings denominated in euro totalling €20,318,000 (US\$22,120,000) ((2014 €nil (US\$nil)). Also, the Company is exposed to foreign exchange risk on its preference shares liability. As at 31 December 2015, this liability is denominated in sterling totalling £235,743,000 (US\$349,689,000) (2014 £235,743,000 (US\$367,462,000)). Furthermore, the Company's corporation tax liabilities are recorded in sterling totalling £14,000 (US\$21,000) ((2014 corporation tax assets totalling £114,267,000 (US\$178,112,000)). The Company does not have sufficient foreign currency assets to offset this net foreign exchange exposure. It is not the Company's policy to hedge currency translation exposures through foreign exchange contracts or currency swaps. Although the net foreign currency liability creates volatility in earnings from period to period, the Directors have assessed this exposure as acceptable.

Interest rate risk

The Company has interest-bearing assets which are loans advanced to ENGIE group undertakings. As at 31 December 2015 interest-bearing assets with a carrying value of US\$28,039,000 (2014 US\$760,182,000) earned interest at floating rates plus a margin. There are no interest-bearing liabilities. Although the rates of interest are variable and create volatility in earnings from period to period, the Directors have assessed this risk as acceptable.

Directors

The Directors who held office during the financial year and up to the date of this report were as follows:

P D Ash
F K A Hons
R Okaniwa

Employees

The Company had no employees (2014 none) and incurred no related costs during the financial year (2014 US\$nil).

Share capital

The Company's share capital comprises 1,000,100 ordinary shares of US\$0.01 each which rank *pari passu* with each other in respect of all rights, including dividend, voting and return of capital.

The Company has 411,591 preference shares with a par value of £0.01 and share premium of £572.75 per share. The preference shares may be redeemed from time to time by a written notice of not less than five business days. The preference shares rank *pari passu* with the ordinary shares with respect to payment of dividends and rank senior to the ordinary shares in the event of a winding up. The preference shares do not carry any voting rights.

Directors' report (continued)**Going concern**

The Company has net current liabilities of US\$321,312,000 as at 31 December 2015 (2014 net current assets of US\$1,658,006,000) The ability of the Company to fulfil its financial obligations is therefore dependent on future profitability and cash flow The Directors have considered the application of the going concern basis of accounting In making this assessment the Directors have considered the intention of IPM Eagle LLP to provide financial support to the Company in the conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements The Directors, having assessed the responses of IPM Eagle LLP to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations Thus they continue to adopt the going concern basis of accounting in preparing the financial statements

Disclosure of information to the auditor

Deloitte LLP was appointed as the Company's statutory auditor for the year ended 31 December 2015 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 auditor is unaware, and each Director has taken all the steps that he ought to have taken as a Director 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 Section 418 of the Companies Act 2006

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office

By order of the Board

R Okahiwa
Director
5 October 2016

Statement of Directors' responsibilities in respect of the Directors' report and the non-statutory financial statements

The Directors of Impala Kookaburra Limited (the Directors) have accepted responsibility for the preparation of these non-statutory financial statements for the year ended 31 December 2015 which are intended by them to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. They have decided to prepare the non-statutory financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101.

In preparing these non-statutory 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 United Kingdom Accounting Standards have been followed, including FRS 101, subject to any material departures disclosed and explained in the non-statutory financial statements,
- notify the Company's shareholder in writing about the use of disclosure exemptions, if any of FRS 101 used in the preparation of financial statements, and
- prepare the non-statutory 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the Directors of Impala Kookaburra Limited

We have audited the non-statutory financial statements of Impala Kookaburra 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 the basis of preparation as outlined in the accounting policies stated in note 1a.

This report is made solely for the exclusive use of the Directors and solely for the purpose as set out in the notes to the financial statements. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the non-statutory 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 non-statutory 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 non-statutory 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 financial statements

In our opinion the non-statutory financial statements have been properly prepared in accordance with the accounting policies stated in note 1.



Deloitte LLP
Chartered Accountants
London

10th October 2016

**Income statement
for the year ended 31 December 2015**

	Note	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Income from shares in group undertakings		590,805	-
Profit on ordinary activities before interest and taxation		590,805	-
Interest receivable and similar income	4	21,682	15,086
Interest payable and similar charges	5	(143,712)	(166,146)
Profit/(loss) on ordinary activities before taxation		468,775	(151,060)
Tax charge on profit/(loss) on ordinary activities	6	(186)	(8,999)
Profit/(loss) for the financial year		468,589	(160,059)

All results are from continuing operations

There is no other comprehensive income attributable to the shareholder of the Company


The notes on pages 10 to 21 form part of these financial statements

Statement of financial position
as at 31 December 2015

	Note	As at 31 December 2015 US\$'000	As at 31 December 2014 US\$'000
Fixed assets			
Investment	7	1,975,922	100,002
Current assets			
Debtors	8	28,095	3,442,394
Derivative financial assets		303	-
Cash at bank and in hand		-	137
		28,398	3,442,531
Creditors: amounts falling due within one year	9	(349,710)	(1,784,525)
Net current (liabilities)/assets		(321,312)	1,658,006
Total assets less current liabilities and net assets		1,654,610	1,758,008
Capital and reserves			
Called-up share capital	10	10	10
Share premium account		99,992	99,992
Retained earnings		1,554,608	1,658,006
Equity shareholder's funds		1,654,610	1,758,008

The notes on pages 10 to 21 form part of these financial statements

These financial statements were approved and authorised for issue by the Board of Directors on 5 October 2016 and signed on its behalf by



R Okaniwa
Director

Statement of changes in equity
for the year ended 31 December 2015

	Called-up share capital US\$'000	Share premium account US\$'000	Retained earnings US\$'000	Total US\$'000
Equity shareholder's funds at 1 January 2014	10	99,992	1,818,065	1,918,067
Loss for the financial year	-	-	(160,059)	(160,059)
Equity shareholder's funds at 31 December 2014	10	99,992	1,658,006	1,758,008
Profit for the financial year	-	-	468,589	468,589
Dividends	-	-	(571,987)	(571,987)
Equity shareholder's funds at 31 December 2015	10	99,992	1,554,608	1,654,610

Refer to note 12 for impact on equity shareholder's funds as at 1 January 2014 from the adoption of FRS 101

The notes on pages 10 to 21 form part of these financial statements

**Notes to the financial statements
for the year ended 31 December 2015**

General information

Impala Kookaburra Limited is a limited company incorporated in the Cayman Islands and domiciled in the United Kingdom. The address of its registered office is Level 20, 25 Canada Square, London E14 5LQ, United Kingdom. The nature of the Company's operations and its principal activities are set out in the Directors' report on pages 2 to 4.

1. Accounting policies

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

a. Basis of preparation

These non-statutory financial statements have been prepared by the Directors for management purposes and present information about the Company as an individual undertaking and not its group.

The Company has changed its accounting framework, during the year ended 31 December 2015, from UK GAAP to FRS 101, as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1 6-33 and related appendices. The impact of this transition are shown in note 12 to the financial statements.

The non-statutory financial statements have been prepared in accordance with FRS 101 *Reduced Disclosure Framework* as issued by the Financial Reporting Council and in accordance with applicable accounting standards. These non-statutory financial statements have also been prepared on the going concern basis, under the historical cost convention, except as noted below.

The requirements contained within FRS 101 relating to the disclosure of transactions and balances with parties related to the Company have not been applied in these non-statutory financial statements. Consequently these non-statutory financial statements do not include a related party disclosure.

In addition, the Directors have not complied with the full disclosure or other requirements of the UK Companies Act 2006 as if it were applicable to the Company.

The Company's functional currency is US dollar. The financial statements of the Company are presented in US dollars and rounded to nearest thousand US dollars.

The Company has net current liabilities of US\$321,312,000 as at 31 December 2015 (2014 net current assets of US\$1,658,006,000). The ability of the Company to fulfil its financial obligations is therefore dependent on future profitability and cash flow. The Directors have considered the application of the going concern basis of accounting, and believe that for the foreseeable future the Company will have adequate resources to meet its liabilities as they fall due. In making this assessment the Directors have considered the intention of the IPM Eagle LLP to provide financial support to the Company in the conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions available under that standard in relation to:

- (a) financial instruments as required by IFRS 7 *Financial Instruments Disclosures*,
- (b) financial instrument valuation techniques and input used for fair value measurement as required by paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*,
- (c) the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of paragraph 79(a)(iv) of IAS 1,

**Notes to the financial statements
for the year ended 31 December 2015 (continued)**

1. Accounting policies (continued)

a Basis of preparation (continued)

- (d) The following paragraphs of IAS 1
- i 10(d) (the requirement to present a statement of cash flows),
 - ii 16 (the requirement to make an explicit and unreserved statement of compliance with all IFRS),
 - iii 38A (the requirement to present a minimum of two primary statements, including cash flow statements),
 - iv 38B-D (the requirement to disclose comparative information for narrative disclosures and for information going beyond the requirements of IFRSs' additional comparative information),
 - v 111 (the requirement for disclosure of cash flow information), and
 - vi 134 to 136 (the requirement to disclose the entity's objectives, policies and processes for managing capital),
- (e) the requirements of IAS 7 *Statement of Cash Flows* to present a statement of cash flows for the period, and
- (f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* to disclose when an entity has not applied a new IFRS that has been issued but is not yet effective)

Where relevant, equivalent disclosures have been given in the group accounts of ENGIE S A (formerly GDF SUEZ S A) The group accounts of ENGIE S A are available to the public and can be obtained as set out in note 12

Adoption of new and revised Standards

As explained above, the Company has adopted FRS 101 for the first time in the current year As part of this adoption, the Company has applied a number of amendments to IFRSs and a new Interpretation issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2015 These comprise Amendments to IAS 36 Recoverable Amounts Disclosures for Non-Financial Assets, Amendments to IAS 39 *Novation of Derivatives and Continuation of Hedge Accounting*, IFRIC 21 *Levies*, and Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities* Their adoption has not had any impact on the disclosures or on the amounts reported in these financial statements

b. Critical accounting estimates and judgements

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

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

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

- the recoverable amount of investments
- debtors
- fair value of financial instruments
- taxation

Recoverable amount of investments

Determining whether the Company's investment in its subsidiary has been impaired requires estimation of the investment's value in use The value in use calculation requires estimation of the future cash flows expected to be generated from the investee and a suitable discount rate in order to calculate present value The carrying amount of the investment at the reporting date was US\$1,975,922,000 with no impairment loss recognised in 2015 or 2014

Notes to the financial statements
for the year ended 31 December 2015 (continued)

1. Accounting policies (continued)

b. Critical accounting estimates and judgements (continued)

Debtors

Management assesses the recoverability of debtors on a regular basis. The Company's risk management procedures include an assessment of risk – in particular counterparty risk – in the measurement of its financial instruments.

Fair value of financial instruments

The Company has presented its financial statements in accordance with the presentation requirements of IAS 32 *Financial Instruments Presentation*, and the accounting requirements of IAS 39 *Financial Instruments-Recognition and Measurement*. The Company records its derivative contracts in the statement of financial position at fair value. Changes in the fair value of its derivative contracts in each period are recorded in profit or loss unless the required cash flow hedge accounting criteria are met which allow the movement in fair value to be recorded within a hedging reserve within shareholder's equity.

Taxation

The tax expense recorded in the Company income statement is dependent on the profit for the year and the tax rates in effect at the end of the reporting period, unless new tax rates have been enacted or substantively enacted.

The level of tax expense recognised is also dependent on subjective judgements as to the outcome of decisions to be made by the tax authorities.

c. Foreign currencies

Foreign currency transactions are recorded in the functional currency at the exchange rates prevailing on the dates of the transactions. At each reporting date:

- Monetary assets and liabilities denominated in foreign currencies are translated at year end exchange rates. The related translation gains and losses are recorded in the income statement for the year to which they relate, and
- Non-monetary assets and liabilities denominated in foreign currencies are recognised at the historical cost applicable at the date of the transaction.

d. Dividend income

Dividend income is recognised in the income statement when the Company's right to receive payment is established.

e. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

f. Interest expense

Interest expense is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount.

**Notes to the financial statements
for the year ended 31 December 2015 (continued)**

g. Taxation

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the reporting date

In accordance with IAS 12 *Income Taxes*, deferred taxes are recognised according to the liability method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases, using tax rates that have been enacted or substantively enacted by the reporting date. However, no deferred taxes are recognised for temporary differences arising from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither accounting income nor taxable income. In addition, deferred tax assets are only recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised.

Deferred taxes are reviewed at each reporting date to take into account factors including the impact of changes in tax laws and the prospects of recovering deferred tax assets arising from deductible temporary differences.

Deferred tax assets and liabilities are not discounted.

h. Fixed asset investments

Fixed asset investments are stated at cost less provision for any impairment. At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the asset's recoverable amount (greater of fair value less costs to sell and value in use). Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment provision is reversed to the extent that the asset's recoverable amount is greater than the carrying value of the fixed asset investment.

i. Cash at bank and in hand

These items include cash equivalents as well as short-term investments that are considered to be readily convertible into a known amount of cash and where the risk of a change in their value is deemed to be negligible based on the criteria set out in IAS 7.

j. Dividends on shares presented within shareholder's funds

Dividends payable are recognised as a liability and an appropriation of profit when the Company formally acts to make a distribution on or before the reporting date and becomes legally obligated to the shareholders to do so. Unpaid dividends that do not meet these criteria are not recognised in the financial statements but are disclosed in the notes.

k. Financial instruments

Financial instruments are recognised and measured in accordance with IAS 39.

Financial assets

Financial assets of the Company comprise loans and receivables carried at amortised cost. The Company determines the classification of its financial assets at initial recognition.

Loans and receivables at amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These items primarily include amounts owed by ENGIE group undertakings.

On initial recognition, loans and receivables are recorded at fair value plus transaction costs. At each reporting date, they are measured at amortised cost using the effective interest method.

Impairment losses are recognised based on the estimated risk of non-recovery.

**Notes to the financial statements
for the year ended 31 December 2015 (continued)**

k. Financial instruments (continued)

Derivatives

The Company uses financial instruments to manage and reduce its exposure to market risks arising from fluctuations in interest rates and foreign currency exchange rates. The use of derivative instruments is governed by a Group policy for managing interest rate, currency and commodity risks.

Derivative financial instruments are contracts (i) whose value changes in response to the change in one or more observable variables, (ii) that do not require any material initial net investment, and (iii) that are settled at a future date.

The Company has not applied hedge accounting and all derivatives are measured at fair value through profit or loss.

Preference shares

The preference shares issued by the Company may be redeemed either at the option of the Company or the shareholders. Under the presentation requirements of IAS 32 *Financial Instruments Presentation*, preference shares that give the holder the right to require the issuer to redeem the instrument after a particular date for a fixed or determinable amount are financial liabilities. The preference shares may be redeemed from time to time by a written notice of not less than five business days.

The preference shares are measured at amortised cost using the effective interest method less any allowance for estimated impairment.

2. Directors' and employees' remuneration

The Directors did not receive any fees or emoluments from the Company during the year (2014: US\$nil) directly attributable to their position within the Company. All Directors' fees or emoluments were paid by International Power Ltd or Mitsui Power Ventures Limited and the amount attributable to the qualifying services provided by the Directors to the Company cannot be reliably estimated.

The Company had no employees during the financial year (2014: none).

3. Auditor's remuneration

The auditor's remuneration in respect of the statutory audit for the years ended 31 December 2015 and 31 December 2014 was borne by International Power Ltd.

The auditor's remuneration was as follows:

	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Auditor's remuneration for the financial year	5	5

Audit fees and non-audit fees borne by International Power Ltd and its subsidiaries are set out in the financial statements of International Power Ltd for the year ended 31 December 2015 which can be obtained from Level 20, 25 Canada Square, London E14 5LQ, United Kingdom.

Notes to the financial statements
for the year ended 31 December 2015 (continued)

4. Interest receivable and similar income

	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Interest receivable from ENGIE group undertakings and total interest income on financial assets measured at amortised cost	21,379	15,086
Net gain on fair value movements of derivatives recognised at fair value through profit or loss	303	-
	<u>21,682</u>	<u>15,086</u>

ENGIE group undertakings are subsidiaries of ENGIE S A

5. Interest payable and similar charges

	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Interest payable to ENGIE group undertakings	27,817	35,712
Net exchange loss	115,895	130,434
	<u>143,712</u>	<u>166,146</u>

6. Tax charge on profit/(loss) on ordinary activities

	Year ended 31 December 2015 US\$'000	Year ended 31 December 2014 US\$'000
Reconciliation of the total tax charge		
Profit/loss on ordinary activities before taxation	468,775	(151,060)
Current tax (charge)/credit at 20 25% (2014 21 5%)	(94,927)	32,478
Prior year tax adjustment	301	(2,641)
Items non-taxable for tax purposes	119,638	-
Non-deductible foreign exchange movement	(23,447)	(28,042)
Foreign exchange loss on tax balances	(1,751)	(10,794)
Tax charge on profit/(loss) on ordinary activities	<u>(186)</u>	<u>(8,999)</u>

The current year applicable statutory tax rate of 20 25% represents a weighted average rate based on 21% applicable for the three months to 31 March 2015, and 20% applicable from 1 April 2015

The prior year applicable statutory tax rate of 21 5% represents a weighted average rate based on 23% applicable for the three months to 31 March 2014, and 21% applicable from 1 April 2014

Notes to the financial statements
for the year ended 31 December 2015 (continued)

7. Investment

At 31 December 2015, the Company had the following investment

	Country of incorporation	Class of shares held	Proportion held
IPM Peacock Limited	England and Wales	Ordinary shares	100%
			Group undertakings US\$'000

Cost and net book value

At 1 January 2015	100,002
Disposal	(100,002)
Additions	1,975,922
At 31 December 2015	1,975,922
At 31 December 2014	100,002

On 23 October 2015, the Company contributed all ordinary shares held in Ponama Holdings Limited, as well as loan receivable and payable balances with ENGIE group undertakings, to IPM Peacock Limited, a newly incorporated company. The total carrying amount of assets and liabilities transferred was US\$1,975,922,000. Following this transaction, IPM Peacock Limited became the Company's immediate subsidiary undertaking.

As at 31 December 2015, the Directors are of the opinion that the recoverable amount of the Company's investment is not less than its book value.

8. Debtors

	31 December 2015 US\$'000	31 December 2014 US\$'000
Amounts owed by ENGIE group undertakings - loan	22,120	760,182
Amounts owed by ENGIE group undertakings - interest	56	6,830
Amounts owed by ENGIE group undertakings - current account	5,919	-
Corporation tax	-	178,112
Preference shares	-	2,497,270
	28,095	3,442,394

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

Notes to the financial statements
for the year ended 31 December 2015 (continued)

9. Creditors: amounts falling due within one year

	31 December 2015 US\$'000	31 December 2014 US\$'000
Amounts owed to ENGIE group undertakings - loan	-	1,415,616
Amounts owed to ENGIE group undertakings - interest	-	1,447
Corporation tax	21	-
Preference shares	349,689	367,462
	<u>349,710</u>	<u>1,784,525</u>

The Company has 411,591 'B' redeemable preference shares in issue, each having a par value of £0 01 and share premium of £572 75

The preference shares may be redeemed from time to time by a written notice of not less than five business days. The preference shares rank *pari passu* with the ordinary shares with respect to payment of dividends and rank senior to the ordinary shares in the event of a winding up. They are not interest bearing. The preference shares do not carry any voting rights.

During 2015, a net foreign exchange profit of US\$17,773,000 (2014 US\$22,503,000) was recognised on the retranslation of preference shares at 31 December 2015.

10. Called-up share capital

	31 December 2015 US\$'000	31 December 2014 US\$'000
Issued and called-up share capital		
1,000,100 ordinary shares of US\$0 01 each	<u>10</u>	<u>10</u>

11. Dividends

An interim dividend of US\$571,987,000 (2014 US\$nil), proposed by the Directors, was paid on 23 November 2015 in respect of the year ended 31 December 2015.

12. Explanation of transition to FRS 101

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with previously extant UK GAAP. These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with the requirements of FRS 101.

Accordingly, the Company has prepared financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2014 and the significant accounting policies meeting those requirements are described in note 1.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1 *First-time Adoption of International Financial Reporting Standards* as required under paragraph 7A of FRS 101.

In preparing these financial statements, the Company has started from an opening statement of financial position as at 1 January 2014 and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101.

In preparing its opening FRS 101 statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its previous UK GAAP basis of accounting. An explanation of how the transition from previous UK GAAP to FRS 101 has affected the financial position and financial performance is set out in the following tables and the notes that accompany the tables.

The transition to FRS 101 has no impact on the cash flows of the Company.

Notes to the financial statements
for the year ended 31 December 2015 (continued)

12. Explanation of transition to FRS 101 (continued)

a) Reconciliation of equity as at 1 January 2014

	Notes	As at 1 January 2014 under previous UK GAAP US\$'000	Effect of transition to FRS 101 US\$'000	As at 1 January 2014 under FRS 101 US\$'000
Fixed assets				
Investment	12(d) 1	2,750,201	(2,650,199)	100,002
Current assets				
Debtors	12(d) 1	939,037	2,650,199	3,589,236
Cash at bank and in hand		145	-	145
		939,182	2,650,199	3,589,381
Creditors: amounts falling due within one year		(1,771,316)	-	(1,771,316)
Net current (liabilities)/assets		(832,134)	2,650,199	1,818,065
Total assets less current liabilities and net assets		1,918,067	-	1,918,067
Capital and reserves				
Called-up share capital		10	-	10
Share premium account		99,992	-	99,992
Translation reserve	12(d) 11	(286,923)	286,923	-
Retained earnings	12(d) 11	2,104,988	(286,923)	1,818,065
Equity shareholder's funds		1,918,067	-	1,918,067

Notes to the financial statements
for the year ended 31 December 2015 (continued)

12. Explanation of transition to FRS 101 (continued)

b) Reconciliation of equity as at 31 December 2014

	Notes	As at 31 December 2014 under previous UK GAAP US\$'000	Effect of transition to FRS 101 US\$'000	As at 31 December 2014 under FRS 101 US\$'000
Fixed assets				
Investment	12(d) i	2,597,272	(2,497,270)	100,002
Current assets				
Debtors	12(d) i	945,124	2,497,270	3,442,394
Cash at bank and in hand		137	-	137
		945,261	2,497,270	3,442,531
Creditors: amounts falling due within one year		(1,784,525)	-	(1,784,525)
Net current (liabilities)/assets		(839,264)	2,497,270	1,658,006
Total assets less current liabilities and net assets		1,758,008	-	1,758,008
Capital and reserves				
Called-up share capital		10	-	10
Share premium account		99,992	-	99,992
Translation reserve	12(d) ii	(417,349)	417,349	-
Retained earnings	12(d) ii	2,075,355	(417,349)	1,658,006
Equity shareholder's funds		1,758,008	-	1,758,008

Notes to the financial statements
for the year ended 31 December 2015 (continued)

12. Explanation of transition to FRS 101 (continued)

c) Reconciliation of the income statement for the year ended 31 December 2014

	Notes	As reported for the year ended 31 December 2014 under previous UK GAAP US\$'000	Effect of transition to FRS 101 US\$'000	For the year ended 31 December 2014 under FRS 101 US\$'000
Interest receivable and similar income		15,086	-	15,086
Interest payable and similar charges	12(d) ii	(35,720)	(130,426)	(166,146)
Loss on ordinary activities before taxation		(20,634)	(130,426)	(151,060)
Tax charge on loss on ordinary activities		(8,999)	-	(8,999)
Loss for the financial year		(29,633)	(130,426)	(160,059)

d) Explanation of adjustments

(i) *Preference shares*

As at 1 January 2014 and 31 December 2014, the Company held sterling denominated preference shares issued by Ponama Holdings Limited, a wholly owned subsidiary of the Company. The carrying amounts at 1 January 2014 and 31 December 2014 were US\$2,650,199,000 and US\$2,497,270,000 respectively. These preference shares were not intended to be repaid in the foreseeable future. Therefore, in accordance with the requirements of the previous UK GAAP (SSAP 20 *Foreign currency translation*), these preference shares were considered to be part of the Company's investment in Ponama Holdings Limited.

On transition to FRS 101, the Directors' assessment of when the preference shares might be repaid does not affect the recognition of the preference shares, which are considered to be loans and receivables under FRS 101. Consequently, in line with the presentation requirements of FRS 101 (IAS 32 *Financial Instruments Presentation*), these preference shares have been re-classified from 'Investments' to 'Debtors'.

(ii) *Equity investment financed by foreign borrowing*

Where certain conditions were met, the 'cover method' under the previous UK GAAP (SSAP 20 *Foreign currency translation*) permitted the exchange differences on foreign equity investments and the foreign currency loans used to hedge against the exchange risk on those investments, to be taken to reserves.

Under FRS 101, the translation of foreign currency loans and receivables and foreign currency loan liabilities follow the accounting requirements of 'IAS 21 *The Effects of Changes in Foreign Exchange Rates*', as outlined in note 1 c. At each reporting date monetary assets and liabilities denominated in foreign currencies are retranslated at spot exchange rates. The related translation gains and losses are recognised in the income statement for the year to which they relate.

The adjustments below reflect the reclassifications of accumulated exchange differences in translation reserve at 1 January 2014 and 31 December 2014.

Notes to the financial statements
for the year ended 31 December 2015 (continued)

12. Explanation of transition to FRS 101 (continued)

d) Explanation of adjustments (continued)

(ii) Equity investment financed by foreign borrowing (continued)

	As at 1 January 2014 under previous UK GAAP US\$'000	Effect of transition to FRS 101 US\$'000	As at 1 January 2014 under FRS 101 US\$'000
Capital and reserves			
Called-up share capital	10	-	10
Share premium account	99,992	-	99,992
Translation reserve	(286,923)	286,923	-
Retained earnings	2,104,988	(286,923)	1,818,068
Equity shareholder's funds	<u>1,918,067</u>	-	<u>1,918,067</u>

	As at 31 December 2014 under previous UK GAAP US\$'000	Effect of transition to FRS 101 US\$'000	As at 31 December 2014 under FRS 101 US\$'000
Capital and reserves			
Called-up share capital	10	-	10
Share premium account	99,992	-	99,992
Translation reserve	(417,349)	417,349	-
Retained earnings	2,075,355	(417,349)	1,658,006
Equity shareholder's funds	<u>1,758,008</u>	-	<u>1,758,008</u>

Foreign exchange differences of US\$130,426,000, recognised directly in equity shareholder's funds for the year ended 31 December 2014, have been re-presented in profit or loss (refer to note 12c))

13. Controlling party and ultimate parent undertaking

The Company's immediate parent undertaking is Impala Magpie Limited, the registered address of which is Level 20, 25 Canada Square, London E14 5LQ, United Kingdom

The Directors consider the Company's ultimate parent undertaking and controlling party to be ENGIE S A which was incorporated in France and is headquartered in Paris, France and which is the parent undertaking of the largest and smallest group in which the results of the Company are consolidated for the year ended 31 December 2015 and the year ended 31 December 2014. The consolidated financial statements of ENGIE S A may be obtained from its registered office at 1 Place Samuel de Champlain, 92400 Courbevoie, Paris, France

14. Subsequent events

There have been no significant events since the reporting date which should be considered for a proper understanding of these non-statutory financial statements