Registered Number: 02706333

GDF SUEZ Energy UK Limited

Report and Financial Statements

31 December 2011

Registered No 02706333

Directors
Dr S Riley
Mr D Park
Mr J Lester

Secretary
Ms H Berger

Auditor
Deloitte LLP
Chartered Accountants and Statutory Auditor
3 Victoria Square
Victoria Street
St Albans
AL1 3TF

Bankers
Barclays Bank PLC
50 Pall Mall
London
SW1A 1QF

Registered Office
1 City Walk
Leeds
West Yorkshire
LS11 9DX

Directors' report

The directors present their report and company financial statements for the year ended 31 December 2011

Results and dividends

The profit for the year, after taxation, increased to £22,756,000 (2010 £18,567,000) due to increased dividend income Of this, all is attributable to the members of the company

Net assets increased by £356,000 (0 6%) due to the profit, offset by the dividend paid of £22,400,000 (2010 £18,645,000)

The directors recommend a dividend of 49 pence (2010 43 pence) per share, amounting to £25,428,000 (2010 £22,400,000) for the year Dividends are recognised in the accounts in the year in which they are paid

Principal activity

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

Principal risks and uncertainties facing the company

The key risks are treasury, business continuity and internal controls failure The company maintains a strong balance sheet backed by the support of its parent company

The company has a business continuity plan ready to be implemented in response to a critical business event

An Internal Control Review Project combined with a Continuous Improvement Programme was in place throughout the year The combination of these two initiatives is the documentation of policies, procedures and key processes throughout the business with the objective of achieving a greater level of control, process consistency, efficiency and improvement

There is a comprehensive budgeting system in place with an annual budget approved locally by the executive management team and also centrally by International Power plc and GDF SUEZ SA Management information systems provide the executive management team and directors with relevant and timely reports that identify significant deviations from approved plans and include regular re-forecasts for the year, in order to facilitate timely analysis and appropriate decisions and actions

International Power plc and GDF SUEZ SA group instruction manuals set out the policies and procedures with which the UK subsidiaries are required to comply The executive management team are responsible for ensuring that the UK companies observe and implement the policies and procedures set out in the manual which is regularly reviewed and updated

Details of the company's financial risk management and the use of financial instruments is included in note 13 and 14 to the financial statements

Going concern

The directors have considered the going concern basis and concluded that it is appropriate In performing this assessment the directors have considered the forecasts for the company and the uncertain current economic conditions Further detail is provided in note 1 to the financial statements

Directors' report

Directors

The dırectors who served durıng the year ended 31 December 2011 and subsequently were

Mr S Brımont	resıgned 3 February 2011
Mr M J Hırt	resıgned 3 February 2011
Mr L de Salıvet de Fouchecour	resıgned 12 September 2011
Mr A Janssens	resıgned 12 September 2011
Mr J Roncato	resıgned 12 September 2011
Dr S Rıley	appoınted 3 February 2011
Mr D Park	appoınted 1 October 2011
Mr J Lester	appoınted 1 October 2011

Change of Ownership

On 3rd February 2011, as part of the merger between Internatıonal Power plc and GDF SUEZ SA the ımmedıate parent company, Stopper Fınance BV was acquıred by Internatıonal Power plc, a company regıstered ın England and Wales Under the merger GDF SUEZ SA acquıred 70% of Internatıonal Power plc and GDF SUEZ SA therefore remaıns the company's ultımate parent and controllıng ınterest

Acquisition

On 30th September 2011 the company acquıred 100% of the ordınary share capıtal of Internatıonal Power Retaıl Supply Company (UK) Lımıted, a company regıstered ın England and Wales

Internatıonal Power Retaıl Supply Company (UK) Lımıted ıs the holdıng company for IPM Energy Tradıng Lımıted whose prıncıpal actıvıty was the purchase, supply and management of electrıcıty to ındustrıal and commercıal customers

GDF SUEZ Shotton Limited

As part of the GDF SUEZ group merger wıth Internatıonal Power the management and control of the Shotton Power Statıon was transferred from Leeds to Deesıde, where operatıons for a number of other Internatıonal Power plc generatıon assets are managed The company remaıns a wholly owned subsıdıary of GDF SUEZ Energy UK Lımıted

On 20th March 2012 the Internatıonal Power group announced the proposed closure of the Shotton Power Statıon wıth operatıons ceasıng by the end of 2012

Auditor

Ernst and Young LLP resıgned as audıtor of the company ın July 2011 and Deloıtte LLP was appoınted as the company's statutory audıtor for 2011 Pursuant to Sectıon 487 of the Companıes Act 2006, the audıtor wıll be deemed to be reappoınted and Deloıtte LLP wıll therefore contınue ın office

Directors' report

Directors' statement as to disclosure of information to the auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 1 Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information (that is, information needed by the company's auditor in connection with preparing their report) of which the company's auditor is unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of 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

By order of the Board

D Park

Director

17 July 2012

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare such financial statements for each financial year Under that law the directors are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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, International Accounting Standard 1 requires that directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Independent auditor's report

to the members of GDF SUEZ Energy UK Limited

We have audited the financial statements of GDF SUEZ Energy UK Limited for the year ended 31 December 2011 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 17 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements 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 financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report

to the members of GDF SUEZ Energy UK Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Robert Knight FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP,

Chartered Accountants and Statutory Auditor

St Albans, United Kingdom

20 July 2012

Income statement

for the year ended 31 December 2011

	Note	2011 £'000	2010 £'000
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses – intercompany write off		(12,683)	-
Operating loss	3	(12,683)	-
Finance revenue	5	476	1,169
Finance costs	6	-	(661)
Dividend Income		35,089	18,201
Profit before taxation		22,882	18,709
Tax charge	7	(126)	(142)
Profit for the year		22,756	18,567

All amounts relate to continuing activities

Statement of comprehensive income

for the year ended 31 December 2011

There was no other comprehensive income attributable to the shareholders of the company other than the profit for the year ended 31 December 2011 of £22,756,000 (2010 £18,567,000)

Balance sheet

at 31 December 2011

	Note	2011 £'000	2010 £'000
Non-current assets			
Investments accounted for using the equity method	8	4,604	3,566
Total non-current assets		4,604	3,566
Current assets			
Trade and other receivables	9	12,024	22,990
Cash and cash equivalents	10	47,478	37,234
Total current assets		59,502	60,224
Current liabilities			
Trade and other payables	11	36	-
Current tax liability	12	66	142
Total current liabilities		102	142
NET CURRENT ASSETS		59,400	60,082
NET ASSETS		64,004	63,648
Capital and reserves			
Share capital	15	51,901	51,901
Retained earnings		12,103	11,747
TOTAL EQUITY		64,004	63,648

The financial statements were approved by the board of directors and authorised for issue on 17 July 2012 They were signed on its behalf by

D Park
Director
17 July 2012

Statement of changes in equity

for the year ended 31 December 2011 and 31 December 2010

	Share Capital £'000	Retained Earnings £'000	Total Equity £'000
At 1 January 2010	51,901	11,825	63,726
Profit for the year	-	18,567	18,567
Dividend paid	-	(18,645)	(18,645)
At 31 December 2010	51,901	11,747	63,648
Profit for the year	-	22,756	22,756
Dividend paid (note 17)	-	(22,400)	(22,400)
At 31 December 2011	51,901	12,103	64,004

Statement of cash flows
for the year ended 31 December 2011

	Note	2011 £'000	2010 £'000
Operating activities			
Profit before taxation		22,882	18,709
Adjustments to reconcile profit before taxation to net cash flows from operating activities			
Finance revenue	5	(476)	(1,169)
Finance cost	6	-	661
Decrease /(increase) in trade and other receivables		10,966	(5,451)
Decrease in other financial assets		-	153,505
Increase / (decrease) in trade and other payables		36	(110,798)
Cash generated from operations		33,408	55,457
Tax paid		(202)	(86)
Net cash flows from operating activities		33,206	55,371
Cash flows from investing activities			
Purchase of investment in subsidiary	8	(1,038)	-
Net cash flows used in investing activities		(1,038)	-
Cash flows from financing activities			
Dividend Paid	17	(22,400)	(18,645)
Finance revenue	5	476	1,169
Finance cost	6	-	(661)
Net cash flows used in financing activities		(21,924)	(18,137)
Net increase in cash and cash equivalents		10,244	37,234
Cash and cash equivalents at 1 January		37,234	-
Cash and cash equivalents at 31 December	10	47,478	37,234

Notes to the financial statements

at 31 December 2011

1. Authorisation of financial statements and statement of compliance with IFRSs

The financial statements of GDF SUEZ Energy UK Limited (the 'company') for the year ended 31 December 2011 were authorised for issue by the board of the directors on 17 July 2012 and the balance sheet was signed on the board's behalf by D Park GDF SUEZ Energy UK Limited is a private limited company incorporated and domiciled in England & Wales

Basis of Preparation

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Company for the year ended 31 December 2011 and applied in accordance with Companies Act 2006 The principle accounting policies adopted by the company are set out in note 2

The financial statements have been prepared on the historical cost basis Historical cost is generally based on the fair value of the consideration given in exchange for the assets

The company financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the company operates and all values are rounded to the nearest thousand Pounds Sterling ('£000) except when otherwise indicated

Going concern

The directors have considered the going concern basis and concluded that it is appropriate In performing this assessment the directors have considered the forecasts for the company and its subsidiaries taking account of the uncertain current economic conditions, together with the balance sheet strength of the company which includes cash and short term deposits of £47,478,000

2. Accounting Policies

Change in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted

Standards affecting the financial statements

The following amendment was made as part of *Improvements to IFRSs (2010)*

Amendment to IFRS 7 *Financial Instruments Disclosures*	The amendment clarifies the required level of disclosure around credit risk and collateral held and provides relief from disclosure of renegotiated financial assets The impact of this amendment has been to reduce the level of disclosure provided on collateral that the entity holds as security on financial assets that are past due or impaired

Notes to the financial statements

at 31 December 2011

2. Accounting Policies (contınued)

Change in accounting policies (contınued)

Standards not affecting the reported results nor the financial position

The followıng new and revısed Standards and Interpretatıons have been adopted ın the current year Theır adoptıon has not had any sıgnıficant ımpact on the amounts reported ın these financıal statements but, wıth the exceptıon of the amendment to IFRS 1, may ımpact the accountıng for future transactıons and arrangements

Amendment to IFRS 1 *Lımıted Exemptıon from Comparatıve IFRS 7 Dısclosures for Fırst-tıme Adopters*	The amendment provıdes a lımıted exemptıon for first-tıme adopters from provıdıng comparatıve faır-value hıerarchy dısclosures under IFRS 7
Amendment to IFRS 3 *Busıness Combınatıons*	IFRS 3 has been amended such that only those non-controllıng ınterests whıch are current ownershıp ınterests and whıch entıtle theır holders to a proportıonate share of net assets upon lıquıdatıon can be measured at faır value or the proportıonate share of net ıdentıfiable assets Other non-controllıng ınterests are measured at faır value, unless another measurement basıs ıs requıred by IFRSs
IAS 24 (2009) *Related Party Dısclosures*	The revısed Standard has a new, clearer definıtıon of a related party, wıth ınconsıstencıes under the prevıous definıtıon havıng been removed
Amendment to IAS 32 *Classıficatıon of Rıghts Issues*	Under the amendment, rıghts ıssues of ınstruments ıssued to acquıre a fixed number of an entıty's own non-derıvatıve equıty ınstruments for a fixed amount ın any currency and whıch otherwıse meet the definıtıon of equıty are classıfied as equıty
Amendments to IFRIC 14 *Prepayments of a Mınımum Fundıng Requırement*	The amendments now enable recognıtıon of an asset ın the form of prepaıd mınımum fundıng contrıbutıons
IFRIC 19 *Extınguıshıng Fınancıal Lıabılıtıes wıth Equıty Instruments*	The Interpretatıon provıdes guıdance on the accountıng for 'debt for equıty swaps' from the perspectıve of the borrower
Improvements to IFRSs 2010	Asıde from those ıtems already ıdentıfied above, the amendments made to standards under the 2010 ımprovements to IFRSs have had no ımpact on the group

Notes to the financial statements

at 31 December 2011

2. Accounting Policies (continued)

Change in accounting policies (continued)

Standards and interpretations issued but not yet applied

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU)

IFRS 1 (amended)	*Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
IFRS 7 (amended)	*Disclosures – Transfers of Financial Assets*
IFRS 9	*Financial Instruments*
IFRS 10	*Consolidated Financial Statements*
IFRS 11	*Joint Arrangements*
IFRS 12	*Disclosure of Interests in Other Entities*
IFRS 13	*Fair Value Measurement*
IAS 1 (amended)	*Presentation of Items of Other Comprehensive Income*
IAS 12 (amended)	*Deferred Tax Recovery of Underlying Assets*
IAS 19 (revised)	*Employee Benefits*
IAS 27 (revised)	*Separate Financial Statements*
IAS 28 (revised)	*Investments in Associates and Joint Ventures*
IFRIC 20	*Stripping Costs in the Production Phase of a Surface Mine*

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group in future periods, except as follows

- IFRS 9 will impact both the measurement and disclosures of Financial Instruments, and
- IFRS 13 will impact the measurement of fair value for certain assets and liabilities as well as the associated disclosures

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed

Significant accounting policies

Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimate of future cash flows have not been adjusted Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset

Notes to the financial statements

at 31 December 2011

2. Accounting policies (continued)

Significant accounting policies (continued)

Impairment of non-financial assets (continued)

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years A reversal of impairment loss is recognised immediately in the income statement

Management consider the impairment of non-financial assets to be a critical accounting judgement

Financial Assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market Such assets are carried at amortised cost using the effective interest (EIR) method, less impairment Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR The EIR amortisation is included in finance revenue in the income statement The losses arising from impairment are recognised in the income statement in other operating expenses

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised

Notes to the financial statements

at 31 December 2011

2. Accounting policies (continued)

Income taxes (continued)

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity Otherwise income tax is recognised in the income statement

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes The following criteria must also be met before revenue is recognised

Finance income

Revenue is recognised as interest accrues using the effective interest method The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment

3. Auditor remuneration

The audit fee of £4,000 has been borne by other subsidiary companies in both years

4. Directors' remuneration and staff costs

No remuneration was paid by GDF SUEZ Energy UK Limited to directors during the years ended 31 December 2011 and 31 December 2010 in respect of services to the company Directors who perform services for the company are employed by other group companies and their costs are not recharged to the company

Staff who perform services for the company are employed by GDF SUEZ Marketing Limited and their costs are not recharged to the company

5. Finance revenue

	2011 £'000	2010 £'000
Interest receivable on deposits with group undertakings	471	1,169
Other finance income	5	-
	476	1,169

For terms and conditions relating to related party receivables, refer to note 16

Notes to the financial statements

at 31 December 2011

6. Finance cost

	2011 £'000	2010 £'000
On loans from group undertakings	-	661
	-	661

For terms and conditions relating to related party payables, refer to note 16

7. Taxation

(a) Tax charge

	2011 £'000	2010 £'000
Current income tax:		
UK corporation tax on profits of the year	126	142
Total current income tax	126	142
Deferred tax:		
Deferred income tax relating to the origination and reversal of temporary differences	-	-
Tax charge in the income statement	126	142

(b) Reconciliation of tax charge

	2011 £'000	2010 £'000
Profit before tax	22,882	18,709
Profit multiplied by standard rate of corporation tax of 26 5% (2010 28%)	6,064	5,238
Tax effect of non-deductible or non-taxable items	(5,938)	(5,096)
Tax charge in the income statement	126	142

(c) Change in Corporation Tax rate

Finance Act 2011, which was substantively enacted in July 2011, included provisions to reduce the rate of corporation tax to 26% with effect from 1 April 2011 and 25% with effect from 1 April 2012

The government has announced that it intends to further reduce the rate of corporation tax to 24% with effect from 1 April 2012, 23% from 1 April 2013 and 22% from 1 April 2014 As this legislation was not substantively enacted by 31 December 2011, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts

Notes to the financial statements

at 31 December 2011

8. Investments in subsidiaries

Shares in subsidiary undertakings	**Total £'000**
Cost	
At 1 January 2011	3,566
Additions	1,038
31 December 2011	4,604

On 30 September 2011 the group acquired 100 per cent of the issued share capital of International Power Retail Supply Company (UK) Limited This is a holding company for IPM Energy Retail Limited whose primary activity is the supply of Electricity to small industrial and commercial business The company was purchased as part of an internal reorganisation

The company's subsidiary undertakings at 31 December 2011 are listed below

Held directly	*Country of incorporation*	*Class of shares held*	*Proportion held by the company*
GDF SUEZ Solutions Limited (1)	England and Wales	Ordinary	100%
GDF SUEZ Sales Limited (1)	England and Wales	Ordinary	100%
GDF SUEZ Marketing Limited (1)	England and Wales	Ordinary	100%
GDF SUEZ Services Limited (2)	England and Wales	Ordinary	100%
GDF SUEZ Shotton Limited (3)	England and Wales	Ordinary	100%
International Power Retail Supply Company UK Limited (4)	England and Wales	Ordinary	100%

(1) The principal activities of the subsidiaries are the purchase, supply and management of natural gas and electricity to industrial and commercial customers

(2) The subsidiary is dormant

(3) The principal activity of the subsidiary was the generation of electricity, it is proposed that operations will cease during 2012

(4) The subsidiary was acquired during the year and acts as a holding company

9. Trade and other receivables

	2011 £'000	**2010 £'000**
Amounts owed by subsidiary undertakings	12,019	22,985
Prepayments	5	5
	12,024	22,990

For terms and conditions relating to related party receivables, refer to Note 16

Notes to the financial statements
at 31 December 2011

10. Cash and cash equivalents

	2011 £'000	2010 £'000
Cash at bank and in hand	47,478	37,234
	47,478	37,234

11. Trade and other payables

	2011 £'000	2010 £'000
Amounts owed to subsidiary undertakings	36	-
	36	-

For terms and conditions relating to related party receivables, refer to Note16

12. Current tax liabilities

	2011 £'000	2010 £'000
Corporation tax liability	66	142
	66	142

13. Financial risk management objectives and policies

Capital Risk Management

The company's primary capital risk management objective is to maintain a strong credit rating and healthy capital ratios

The GDF SUEZ Energy UK Group monitors capital on a consolidated basis using return on capital employed (ROCE), which is operating profit divided by net assets

The capital structure of the company consists of share capital and accumulated reserves

There are no externally imposed capital requirements

The company's financial assets comprise cash and short-term deposits and the company also has loans to subsidiaries

The main risk arising from the company's financial instruments is interest rate risk There are no significant liquidity or credit risks or foreign currency risk

Notes to the financial statements

at 31 December 2011

13. Financial risk management objectives and policies (continued)

Interest rate maturity profile of financial assets and liabilities

The following table sets out the carrying amount, by maturity, of the company's financial instruments that are exposed to interest rate risk

Year ended 31 December 2011	Within 1 year £'000	1 to 2 years £'000	2 to 3 years £'000	3 to 4 years £'000	4 to 5 years £'000	>5 years £'000	Total £'000
Cash and short term deposits	47,478	-	-	-	-	-	47,478
Amount owed by subsidiary undertaking	-	12,019	-	-	-	-	12,019

Year ended 31 December 2010	Within 1 year £'000	1 to 2 years £'000	2 to 3 years £'000	3 to 4 years £'000	4 to 5 years £'000	> 5 years £'000	Total £'000
Cash and short term deposits	37,234	-	-	-	-	-	37,234
Amount owed by subsidiary undertakings	-	22,985	-	-	-	-	22,985

Interest rate risk

Amounts owed to/from the GDF SUEZ intercompany cash pooling facility, loans owed to/from fellow subsidiaries and amounts owed to the parent undertaking all bear interest at floating rates Floating rate interest on financial instruments varies according to the underlying reference rate

The other financial assets and financial liabilities of the company are non-interest bearing and therefore are not subject to interest rate risk

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax (through the impact on floating rate borrowings)

	Increase/decrease in base rate	*Effect on profit before tax £'000*	*Effect on other comprehensive income £'000*
2011	+0 25	238	182
	-0 25	(238)	(182)
2010	+0 25	197	142
	-0 25	(197)	(142)

Notes to the financial statements

at 31 December 2011

14 Financial instruments

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of the company's financial instruments, that are carried in the financial statements Note that in all cases the fair value is equal to the carrying value of those assets and liabilities

	2011 £'000	2010 £'000
Financial Assets		
Cash and short term deposits	47,478	37,234
Loans and receivables	12,019	22,985
Financial Liabilities		
Amortised cost	35	-

15. Share capital

	2011 £'000	2010 £'000
Authorised		
52,500,000 ordinary shares of £1 each	52,500	52,500
Called up, allotted and fully paid		
51,900,792 ordinary shares of £1 each	51,901	51,901

Notes to the financial statements

at 31 December 2011

16. Related party transactions

The company's ımmedıate parent undertakıng ıs Stopper Fınance BV, a company regıstered ın The Netherlands and subsıdıary undertakıng of Internatıonal Power plc The accounts of GDF SUEZ Energy UK Lımıted are consolıdated wıthın the Fınancıal Statements of Internatıonal Power plc

The ultımate controllıng parent undertakıng of the group of undertakıngs for whıch group fınancıal statements are drawn up, and of whıch the company ıs a member, ıs GDF SUEZ SA, a company regıstered ın France Copıes of GDF SUEZ SA's group fınancıal statements can be obtaıned from GDF SUEZ SA, Tour T1, 1 place Samuel de Champlaın, Faubourg de l'Arche, 92930 Parıs La Défense, France

2011

	Sales £'000	Purchases £'000	Interest receıvable £'000	Interest payable £'000	Amount owed from £'000	Amount owed to £'000
GDF SUEZ Treasury Management Sarl	-	-	115	-	-	-
GDF SUEZ Marketıng Lımıted	-	-	58	-	2,704	-
GDF SUEZ Shotton Lımıted	-	-	294	-	7,700	36
Internatıonal Power Retaıl Supply Company UK Lımıted	-	-	-	-	215	-
IPM Energy Retaıl Lımıted	-	-	4	-	1,400	-

A dıvıdend of £22,400,000 (2010 18,645,000) was paıd to Stopper Fınance BV

2010

	Sales £'000	Purchases £'000	Interest receıvable £'000	Interest payable £'000	Amount owed from £'000	Amount owed to £'000
GDF SUEZ Treasury Management Sarl	-	-	667	200	-	-
GDF SUEZ Solutıons Lımıted	-	-	-	461	133	-
GDF SUEZ Marketıng Lımıted (non-current loan)	-	-	-	-	2,763	-
GDF SUEZ Shotton Lımıted	-	-	502	-	502	-
GDF SUEZ Shotton Lımıted (non-current loan)	-	-	-	-	19,587	-

Terms and condıtıons of transactıons

Interest receıvable from GDF SUEZ Shotton Lımıted represents amounts charged on ıntercompany loan balances, the rate charged on these balances ıs equal to Bank of England Base Rate + 1 00%

The company operates a cash poolıng facılıty wıth GDF SUEZ Treasury Management Sarl under whıch any shortfalls or surpluses of cash are transferred Interest on short term deposıts accrues at the Sterlıng Overnıght Interbank Average (SONIA) ınterest rate less 0 15% and ınterest on short term borrowıngs are charged at the SONIA ınterest rate plus 0 45%

The company operates loan drawdown facılıtıes wıth GDF SUEZ Marketıng Lımıted, IPM Energy Retaıl Lımıted and IP Retaıl Supply Company (UK) Lımıted Interest accrues at SONIA ınterest rate +0 45%

The dıvıdend paıd to Stopper Fınance BV ıs a mınımum of the prevıous years profit after tax dıstrıbutable reserves, or avaılable cash and was paıd wıthın 6 months of the year end

There have been no transactıons wıth the Dırectors of the company durıng the year

Notes to the financial statements

at 31 December 2011

17. Dividends proposed

	2011 £'000	2010 £'000
Proposed for approval at the board meeting on 17 July 2012 (2010 3 May 2011) (not recognised as a liability as at 31 December)		
Dividends on ordinary shares		
Final dividend (49 pence per share, 2010 43 pence)	25,428	22,400