

11 SHARE CAPITAL AND RESERVES

	Attributable to equity holders of the parent					
	Called up share capital	Share premium account	Capital redemption reserve	Capital reserve	Profit and loss account	Total shareholders' funds – equity
	£m	£m	£m	£m	£m	£m
At 1 January 2006	737	394	145	415	307	1,998
Profit for the year	–	–	–	–	932	932
Issue of shares	9	8	–	–	–	17
Dividends	–	–	–	–	(67)	(67)
Other movements	–	–	–	–	10	10
At 31 December 2006	746	402	145	415	1,182	2,890

	Attributable to equity holders to the parent					
	Called up share capital	Share premium account	Capital redemption reserve	Capital reserve	Profit and loss account	Total shareholders' funds – equity
	£m	£m	£m	£m	£m	£m
At 1 January 2005	737	392	145	415	321	2,010
Profit for the year	–	–	–	–	21	21
Issue of shares	–	2	–	–	–	2
Dividends	–	–	–	–	(37)	(37)
Other movements	–	–	–	–	2	2
At 31 December 2005	737	394	145	415	307	1,998

The share premium account, capital redemption reserve and capital reserve are not distributable.

A number of International Power plc Ordinary Shares are held in Employee Share Ownership Trusts (ESOTs). These shares are held by the ESOTs to meet awards made under the Company's 2002 Performance Share Plan. At 31 December 2006, the ESOTs held a total of 1,241,452 International Power plc Ordinary Shares (2005: 2,081,573). At 31 December 2006 the market value of these shares was £4,739,243 (2005: £4,985,367). The maximum number of shares required to meet all outstanding awards (assuming full vesting of those awards) at 31 December 2006 was 6,444,745 (2005: 7,522,005).

£527 million (2005: £124 million) of the Company's profit and loss reserve is not distributable as it arose from unrealised gains on intra-group transfers.

12 COMMITMENTS

Lease commitments

	31 December 2006	31 December 2005
	£m	£m
Property leases (annual commitment):		
Expiring within one year	–	–
Expiring between one and five years	–	–
Expiring after five years	5	5

13 CONTINGENT LIABILITIES

a) Legal proceedings against the Company

Details of legal proceedings against the Company are shown in note 35 to the consolidated financial statements.

b) Taxation

Details of contingent liabilities relating to tax issues are shown in note 35 to the consolidated financial statements.

c) Bonds and guarantees

Various growth and expansion projects are supported by bonds, letters of credit and guarantees issued by the Company totalling £292 million. Energy trading activities relating to merchant plant are supported by letters of credit and guarantees issued by the Company totalling £418 million.

14 RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group.