

**Director's Report and Financial  
Statements**

*Statoil UK Properties  
Limited*

**31 December 2018**

WEDNESDAY



\*L8G8JHJ6\*

LD3

16/10/2019

#73

COMPANIES HOUSE

# Statoil UK Properties Limited

---

Registered No. 841421

## **DIRECTOR**

Bente Hovland  
Robert Adams

(Appointed 13 June 2019)  
(Resigned 13 June 2019)

## **SECRETARY**

A J Saul  
L Balbuckaite

(Resigned 16 September 2019)  
(Appointed 16 September 2019)

## **AUDITOR**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## **REGISTERED OFFICE**

1 Kingdom Street  
London  
W2 6BD

## DIRECTOR'S REPORT

The director presents her report together with the financial statements of Statoil UK Properties Limited ("the Company") for the year ended 31 December 2018.

### STRATEGIC REPORT

The Company has taken advantage of the exemption contained in section 414B of the Companies Act 2006 not to prepare a Strategic Report as it is eligible to prepare its financial statements in accordance with the small companies' regime.

### PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activities of the Company were to previously act as an investment holding company and provide management services to other group undertakings. However, at the end of 2007, the company ceased to provide these services and during 2008 all remaining investments were disposed of. The director plans to wind up the Company.

### PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of risks that the Company faces in the course of conducting its business operations. Although not exhaustive, the following list highlights the principal risks and uncertainties.

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the Company's debtors are shown in note 5 to the financial statements.

#### *Liquidity and cash flow risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability such as future payments on a variable rate debt.

#### *Brexit risks*

Following the referendum in 2016, the Company has been assessing the potential impact of Brexit on the Company. The Company does not believe that Brexit will pose a significant risk to our business. All these risks are managed by the Company's Norwegian ultimate parent on a group wide basis.

### POLITICAL CONTRIBUTIONS

No contributions were made to a political party during the year (2017: nil).

### RESULTS AND DIVIDENDS

The loss for the year after taxation was £3,036 (2017: £6,078 loss). No dividends were distributed in respect of the year ended 31 December 2017 (2017: £nil).

### DIRECTOR AND HER INTERESTS

The director who served the Company during the year is listed on page 1. The director did not have any beneficial interest in the shares of the company in either of the years presented.

### GOING CONCERN

As the director intends to wind up the Company in the near future, it is considered more appropriate to prepare the financial statements on the break-up basis rather than on the going concern basis. The break-up basis results in assets held by the company at the year end being recorded at their estimated realisable values and liabilities due at the year end being recorded at amounts at which they will ultimately settled. This did not cause any adjustment from the book amounts.

**DIRECTOR'S REPORT**

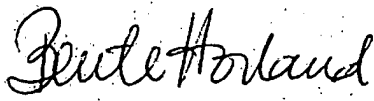
**DIRECTOR'S STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

The Director who held office at the date of approval of this Director's report confirms that, so far as she is aware, there is no relevant audit information of which the Company's auditor is unaware and the Director has taken all the steps she ought to have taken as a Director in order to make herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

KPMG LLP will step down from their role as auditor in 2019 to be replaced by Ernst & Young LLP, who will be appointed as auditors of the Company.

*By order of the board*



Bente Hovland

Director

27 September 2019

1 Kingdom Street  
London  
W2 6BD

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE  
DIRECTOR'S REPORT AND THE FINANCIAL STATEMENTS**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Company law the director must not approve the financial statements unless she is 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 director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business (As explained in note 1, the director does not believe that it is appropriate to prepare these financial statements on a going concern basis).

The Director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She has general responsibility for taking such steps as are reasonably open to her to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

---

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STATOIL UK PROPERTIES LIMITED

### Opinion

We have audited the financial statements of Statoil UK Properties Limited ("the Company") for the year ended 31 December 2018, which comprise the Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

### Director's report

The director is responsible for the director's report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the director's report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the director's report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

---

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STATOIL UK PROPERTIES LIMITED

### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director is not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### Director's responsibilities

As explained more fully in her statement set out on page 4, the director has responsibility for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as she determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 she either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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.



Juliette Lowes  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
27 September 2019

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2018

	<i>Notes</i>	<b>2018</b> £	<b>2017</b> £
Administrative expenses		<b>(3,975)</b>	<b>(6,190)</b>
<b>OPERATING LOSS</b>		<b>(3,975)</b>	<b>(6,190)</b>
Interest receivable and similar income	3a	976	322
Interest payable and similar charges	3b	<b>(62)</b>	<b>(185)</b>
<b>LOSS BEFORE TAXATION</b>		<b>(3,061)</b>	<b>(6,053)</b>
Tax on loss	4	25	(25)
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(3,036)</b>	<b>(6,078)</b>
Other comprehensive income		-	-
<b>TOTAL OTHER COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(3,036)</b>	<b>(6,078)</b>

All operations are derived from discontinued operations.

Notes 1 to 8 form an integral part of these financial statements.




**BALANCE SHEET**  
at 31 December 2018

	<i>Notes</i>	<b>2018</b> £	<b>2017</b> £
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	5	941,547	944,609
		<u>941,547</u>	<u>944,609</u>
<b>CREDITORS: amounts falling due within one year</b>	6	-	(26)
		<u>941,547</u>	<u>944,583</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	1,000	1,000
Profit and loss account		940,547	943,583
<b>SHAREHOLDER'S FUNDS</b>		<u>941,547</u>	<u>944,583</u>

Notes 1 to 8 form an integral part of these financial statements.

Approved by Director on 27 September



.....  
Bente Hovland - Director

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2018

	Share capital	Profit & Loss account	Total Shareholder's funds
	£	£	£
At 1 January 2017	1,000	949,661	950,661
Loss for the year	-	(6,078)	(6,078)
Other comprehensive income	-	-	-
At 1 January 2018	1,000	943,583	944,583
Loss for the year	-	(3,036)	(3,036)
Other comprehensive income	-	-	-
At 31 December 2018	1,000	940,547	941,547

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2018

**1. ACCOUNTING POLICIES**

Statoil UK Properties Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. Amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Equinor ASA (formerly Statoil ASA), includes the Company in its consolidated financial statements. The consolidated financial statements of Equinor ASA are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from [www.statoil.com](http://www.statoil.com). In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Equinor ASA include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, have been applied consistently throughout the period presented in these financial statements.

***Measurement convention***

The financial statements are prepared on the historical cost basis.

***Going concern***

The Company does not trade and the director intends to wind up the company. As such, the director has not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

***Related party transactions***

The Company has taken advantage of the exemption contained within FRS 102.33, "*Related Party Disclosures*", and has not disclosed transactions with group companies.

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2018

***Taxation***

Tax on the profit or loss for the period comprises current tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous periods.

***Basic financial instruments***

***Trade and other debtors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

***Trade and other creditors***

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

***Accounting estimates and judgements***

The director does not consider there to be significant estimates or judgements involved in preparing these financial statements.

**2. AUDITOR REMUNERATION AND EXPENSES**

	2018	2017
	£	£
Auditor's remuneration in respect of the statutory audit	5,000	5,000

Auditor's remuneration was paid by another group company.

There were no staff employed by the company during the year (2017: nil).

The director did not receive any fees or remuneration for services as a director of the company during the year.

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2018

**3a. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2018 £	2017 £
Interest receivable from group undertakings	976	322
	<u>976</u>	<u>322</u>

**3b. INTEREST PAYABLE AND SIMILAR CHARGES**

	2018 £	2017 £
Bank charges	62	185
	<u>62</u>	<u>185</u>

**4. TAXATION**

	2017 £	2017 £
a) Tax on loss:		
<i>Current tax:</i>		
Current tax on income for the period	-	26
Prior year adjustment	(25)	(1)
Total tax charge	<u>(25)</u>	<u>25</u>

b) Factors affecting total tax charge:

The tax assessed on the loss for the year is lower (2017: higher) than the standard rate of corporation tax in the UK. The differences are reconciled below:

	2018 £	2017 £
Loss before tax	(3,061)	(6,053)
	<u>(3,061)</u>	<u>(6,053)</u>
Tax using the UK corporation tax rate of 19% (2017: 19.25%)	(582)	(1,165)
Permanent differences	582	1,191
Prior year adjustment	(25)	(1)
Total tax charge	<u>(25)</u>	<u>25</u>

c) Factors that may affect future tax charges:

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2018

5. **DEBTORS:** amounts falling due within one year

	2018	2017
	£	£
Amounts due from group undertakings	941,547	944,609

6. **CREDITORS:** amounts falling due within one year

	2018	2017
	£	£
Corporation tax	-	26

7. **SHARE CAPITAL**

*Allotted, called up and fully paid for:*

	2018	2017
	£	£
1,000 (2017: 1,000) ordinary shares of £1 each	1,000	1,000

8. **ULTIMATE PARENT UNDERTAKING**

The ultimate parent undertaking of the company is Equinor ASA, incorporated in Norway. Copies of its group financial statements, which include the company, are available from Equinor ASA, 4035, Stavanger, Norway. It is also the parent undertaking of the smallest group of which the company is a member and for which group financial statements are prepared. The consolidated financial statements of Equinor ASA are available to the public and may be obtained from [www.statoil.com](http://www.statoil.com).

The ultimate controlling party is the Norwegian government.