

# Genesis Oil and Gas Limited

## Report and Financial Statements

31 December 2007

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COMPANIES HOUSE

**Directors**

K Taylor  
P-A Thomas

**Secretary**

B Bygrave

**Auditors**

Ernst & Young LLP,  
Blenheim House,  
Fountainhall Road,  
Aberdeen  
AB15 4DT

**Bankers**

Barclays Bank,  
163 – 165 Union Street,  
Aberdeen  
AB11 6SL

**Registered Office**

262 High Holborn,  
London  
WC1V 7NA

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2007

### Results and dividends

The profit after taxation for the year amounted to £461,000. The directors do not recommend the payment of a dividend.

### Principal activity

The company is principally engaged in the provision of project, engineering and construction management for oil and gas activities in Africa and power, high voltage substation and transmission projects to clients abroad.

### Review of the business and future developments

The results of the company are as expected and the directors are optimistic about future prospects.

### Directors and their interests

The directors who served during the year were

K Taylor

P-A Thomas

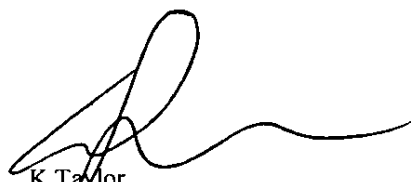
### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Appointment of Auditors

During the year the company's ultimate parent company, Technip, carried out a review of the provision of audit services for the worldwide group. Following the outcome of this exercise, PricewaterhouseCoopers LLP will be appointed as auditors in place of the retiring auditors Ernst & Young LLP.

On behalf of the Board



K Taylor  
Director  
5 March 2008

## **Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 the legislation in other jurisdictions.

# **Independent Auditors' report**

## **to the shareholder of Genesis Oil and Gas Limited**

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 12. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

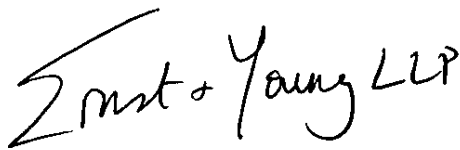
## **Independent Auditors' report (continued)**

**to the shareholder of Genesis Oil and Gas Limited**

### **Opinion**

In our opinion,

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in its Directors' Report is consistent with the financial statements

A handwritten signature in black ink that reads "Ernst & Young LLP". The signature is written in a cursive, flowing style.

Ernst & Young LLP  
Registered Auditor  
Aberdeen

5, March 2008

## Profit and loss account

For the year ended 31 December 2007

|  | <i>Notes</i> | <i>2007</i><br><i>£'000</i> | <i>2006</i><br><i>£'000</i> |
|--|--------------|-----------------------------|-----------------------------|
| <b>Turnover</b>                                      | 2            | 4,327                       | 3,417                       |
| Operating charges                                    |              | (3,668)                     | (2,942)                     |
| <b>Profit on ordinary activities before taxation</b> |              | <u>659</u>                  | <u>475</u>                  |
| Tax on profit on ordinary activities                 | 6            | (198)                       | (143)                       |
| <b>Profit for the financial year</b>                 | 10           | <u>461</u>                  | <u>332</u>                  |


There were no recognised gains or losses other than the profit of £461,000 for the year ended 31 December 2007 (2006 profit of £332,000)

## Balance sheet

As at 31 December 2007

|  | Notes | 2007<br>£'000 | 2006<br>£'000 |
|--|-------|---------------|---------------|
| <b>Current assets</b>                                |       |               |               |
| Debtors  | 7     | 1,105         | 1,848         |
| Cash at bank and in hand                             |       | 628           | 2             |
|  |       | <u>1,733</u>  | <u>1,850</u>  |
| <b>Creditors</b> amounts falling due within one year | 8     | (1,035)       | (1,613)       |
|  |       | <u>698</u>    | <u>237</u>    |
| <b>Net assets</b>                                    |       |               |               |
| <b>Capital and reserves</b>                          |       |               |               |
| Called up share capital                              | 9     | -             | -             |
| Profit and loss account                              | 10    | 698           | 237           |
|  |       | <u>698</u>    | <u>237</u>    |
| <b>Total shareholders' funds</b>                     | 10    | <u>698</u>    | <u>237</u>    |

The financial statements of Genesis Oil and Gas Limited were approved by the Board of Directors on 19 February 2008

  
 K Taylor  
 Director  
 5 March 2008



## Notes to the financial statements

As at 31 December 2007

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

#### *Cash flow statement*

Genesis Oil & Gas Consultants Limited, which is registered in England, owned 100% of the company's shares at the year end. The ultimate controlling party is Technip, a company incorporated in France, and the company is included in the consolidated financial statements of Technip, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No 1 (revised 1996)

#### *Turnover*

Turnover, which is the stated net of value added tax, represents amounts invoiced to third parties, except in respect of long-term contracts where turnover represents the sales value of work done in the year, including estimates in respect of amounts not invoiced. Turnover in respect of long-term contracts is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date.

### 2. Turnover

The turnover for the year was all attributable to the company's principal activity to clients in Africa.

### 3. Auditors' remuneration

|  | 2007<br>£'000 | 2006<br>£'000 |
|--|---------------|---------------|
| Auditors' remuneration – Audit of the financial statements | 3             | 1             |
| - Other fees to auditors – other services                  | -             | 1             |
|  | <u>3</u>      | <u>1</u>      |

Auditors' remuneration, which amounted to £3,000, has been met by a fellow group company.

### 4. Directors' emoluments

No director received any emoluments during the year.

## Notes to the financial statements

As at 31 December 2007

### 5. Employees

The company had no employees during the year. However, employees are utilised from other group companies and are cross-charged to the company accordingly.

### 6. Tax on profit on ordinary activities

The taxation charge is made up as follows:

|   | 2007<br>£'000 | 2006<br>£'000 |
|---|---------------|---------------|
| UK corporation tax  | 198           | 143           |
| Profit on ordinary activities before taxation   | 659           | 475           |
| Profit on ordinary activities at standard rate of UK corporation tax of 30% (2006: 30%) | 198           | 143           |

### 7. Debtors

|                                    | 2007<br>£'000 | 2006<br>£'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | -             | 248           |
| Trade debtors                      | 1,103         | 712           |
| Accrued income                     | 2             | 888           |
|                                    | 1,105         | 1,848         |

### 8. Creditors: amounts falling due within one year

|                                   | 2007<br>£'000 | 2006<br>£'000 |
|-----------------------------------|---------------|---------------|
| Amounts due to group undertakings | 908           | 1,495         |
| Accruals and deferred income      | 94            | 66            |
| Corporation tax                   | 33            | 52            |
|                                   | 1,035         | 1,613         |

## Notes to the financial statements

As at 31 December 2007

### 9. Called up equity share capital

|                            | <i>Authorised</i>                         |                   |
|----------------------------|---|-------------------|
|                            | <i>2007</i>                               | <i>2006</i>       |
|                            | <i>No</i>                                 | <i>No</i>         |
| Ordinary shares of £1 each | 100                                       | 100               |
|                            | <u>          </u>                         | <u>          </u> |
|                            | <i>Allotted, called up and fully paid</i> |                   |
|                            | <i>2007</i>                               | <i>2006</i>       |
|                            | <i>£'000</i>                              | <i>£'000</i>      |
| 1 Ordinary share of £1     | -   | -                 |
|                            | <u>          </u>                         | <u>          </u> |

### 10. Reconciliation of shareholder's funds and movement on reserves

|                     | <i>Share Capital</i> | <i>Profit and loss account</i> | <i>Total shareholder's funds</i> |
|---------------------|----------------------|--------------------------------|----------------------------------|
|                     | <i>£'000</i>         | <i>£'000</i>                   | <i>£'000</i>                     |
| At 1 January 2006   | -                    | (95)                           | (95)                             |
| Profit for the year | -                    | 332                            | 332                              |
|                     | <u>          </u>    | <u>          </u>              | <u>          </u>                |
| At 31 December 2006 | -                    | 237                            | 237                              |
| Profit for the year | -                    | 461                            | 461                              |
|                     | <u>          </u>    | <u>          </u>              | <u>          </u>                |
| At 31 December 2007 | -                    | 698                            | 698                              |
|                     | <u>          </u>    | <u>          </u>              | <u>          </u>                |

### 11. Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard No 8 "Related Party Disclosures" and transactions with other entities who are part of the Technip group have not been disclosed

### 12. Ultimate parent undertaking

The company's immediate parent undertaking is Genesis Oil & Gas Consultants Limited

The company's ultimate parent undertaking and controlling party is Technip, which is incorporated in France. Copies of its group financial statements, which include the company, can be obtained from the Investors Relations Officer, Technip, 92973 Paris La Défense Cedex, France