

**Directors' Report and  
Financial Statements for the Year Ended 31 December 2017  
For  
Genesis Oil and Gas Limited**



**Genesis Oil and Gas Limited (Registered number: 2832348)**

**Company Information**

**For the year ended 31 December 2017**

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**DIRECTORS:**

J Cambridge  
H Hasselknippe  
G Groisard  
F Topalian

**SECRETARY:**

M Kerdranvat

**INDEPENDENT AUDITORS:**

PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors,  
The Capitol,  
431 Union Street,  
Aberdeen  
AB11 6DA

**BANKERS:**

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

**REGISTERED OFFICE:**

One St. Paul's Churchyard  
London  
EC4M 8AP

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Contents of the Financial Statements**  
**For the year ended 31 December 2017**

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	<b>Page</b>
Directors' Report	4
Independent Auditors' Report	7
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12

**Genesis Oil and Gas Limited (Registered number: 2832348)**

**Directors' Report**

**For the year ended 31 December 2017**

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The directors present their report and the audited financial statements for the year ended 31 December 2017.

**Results and dividends**

The loss for the financial year amounted to £124,000 (2016: £636,000). The directors do not recommend the payment of a dividend.

**Principal activities**

The company is principally engaged in the provision of project, engineering and construction management for oil and gas activities and power transmission projects in North and Western Africa. The company is a private limited company limited by shares incorporated and domiciled in the UK and registered in England and Wales. The company is a wholly owned subsidiary of Genesis Oil & Gas Consultants Limited and the ultimate parent undertaking and controlling party is TechnipFMC Plc, a company incorporated in the United Kingdom. Please see details in note 10.

The company operates a branch in North Africa.

**Directors and their interests**

The directors of the Company who were in office during the year and up to the date of signing the financial statements are set out on page 2.

**Financial risks management**

The company finances its activities with a combination of cash and loans from and to group undertakings to satisfy short-term cash flow needs.

*Foreign currency risk*

The company seeks to mitigate the effect of its foreign currency exposures by fixing exchange rates in advance for projects with a material foreign currency element. As a result, the company has minimal exposure to foreign currency risks as at the Balance Sheet date or the year then ended.

*Interest rate risk*

The company invests any surplus funds with group undertakings and, if necessary, borrows funds to support its activities from the same group undertakings. Interest rate risk is therefore not material.

*Credit risk*

The risk of financial loss could arise due to a counterparty's failure to honour its contracted obligations. Company policies are aimed at minimising such losses, and require that customers satisfy creditworthiness procedures and provide acceptable payment terms, supported if necessary by adequate payment security. Overdue debts are carefully monitored and appropriate action is taken for their recovery.

*Liquidity risk*

The company mitigates this risk by managing cash balances, payments and collections and by ensuring adequate credit facilities are available in conjunction with other group undertakings.

**Genesis Oil and Gas Limited (Registered number: 2832348)**

**Directors' Report (Continued)**

**For the year ended 31 December 2017**

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**Financial risks management (continued)**

*Price risk*

The company seeks to manage its exposure to changing market prices for services and materials by entering in to fixed price contracts and frame agreements with suppliers where it is appropriate.

***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 law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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 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.

**Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Directors' Report (Continued)**  
**For the year ended 31 December 2017**

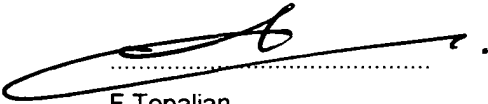
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**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

The directors' report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006. The directors' have also taken advantage of the exemption from presenting a strategic report in accordance with s414B of the Companies Act 2006.

**On Behalf of the Board:**



F Topalian  
Director

Date: 27 September 2018

# ***Independent auditors' report to the members of Genesis Oil and Gas Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Genesis Oil and Gas Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

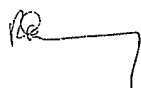
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified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

We have no exceptions to report arising from this responsibility.

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### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Richard Spilsbury (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Aberdeen  
28 September 2018



**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2017**

	Note	2017 £'000	2016 £'000
<b>Turnover</b>	2	<b>2,436</b>	<b>3,452</b>
<b>Cost of sales</b>		<b>(2,513)</b>	<b>(4,162)</b>
<b>Gross Loss</b>		<b>(77)</b>	<b>(710)</b>
<b>Administrative expenses</b>		<b>(47)</b>	<b>74</b>
<b>Loss before tax</b>		<b>(124)</b>	<b>(636)</b>
<b>Income tax expense</b>	6	<b>-</b>	<b>-</b>
<b>Loss and total comprehensive expense for the financial year</b>		<b>(124)</b>	<b>(636)</b>

All operations are continuing.

The notes on the accompanying pages form part of these financial statements.

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Statement of Financial Position**  
**As at 31 December 2017**

	Note	2017 £'000	2016 £'000
<b>Current assets</b>			
Debtors	7	3,715	3,455
Cash and cash equivalents		168	145
		<u>3,883</u>	<u>3,600</u>
<b>Creditors: amounts falling due within one year</b>	8	(1,192)	(785)
<b>Net current assets</b>		<u>2,691</u>	<u>2,815</u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account		2,691	2,815
<b>Total shareholders' funds</b>		<u>2,691</u>	<u>2,815</u>

The notes on the accompanying pages form part of these financial statements.

The financial statements on pages 9 to 15 of Genesis Oil and Gas Limited were approved by the Board of Directors on 27 September 2018 and were signed on its behalf by:

  
**F Topalian**  
**Director**

**Genesis Oil and Gas Limited (Registered number: 2832348)**

**Statement of Changes in Equity  
For the year ended 31 December 2017**

	<b><i>Called up Share Capital £'000</i></b>	<b><i>Profit and loss account £'000</i></b>	<b><i>Total shareholders ' funds £'000</i></b>
At 1st January 2016	-	3,451	3,451
Loss and total comprehensive expense for the financial year	-	(636)	(636)
At 31st December 2016 and 1 <sup>st</sup> January 2017	-	2,815	2,815
Loss and total comprehensive expense for the financial year	-	(124)	(124)
At 31st December 2017	-	2,691	2,691

**Genesis Oil and Gas Limited (Registered number: 2832348)**

**Notes to the Financial Statements**

**For the year ended 31 December 2017**

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**1. Summary of significant accounting policies**

***Basis of preparation***

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared in accordance with the Financial Reporting Standard 101, Reduced disclosure framework (FRS 101). The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The company is a qualifying entity for the purpose of FRS 101 which sets out a reduced framework for a "qualifying entity", as described in the Standard. The Standard addressed the financial reporting requirements and disclosure exemption in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards (IFRS). Note 10 gives details of the Company's ultimate parent and from where consolidated financial statements prepared in accordance with IFRS may be obtained.

In these financial statements the application of FRS 101 has enabled the company to take advantage of certain disclosure exemptions that would have been required had the company adopted IFRS in full. The only such exemptions that the directors consider to be significant are:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of transactions with wholly owned subsidiaries;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of the compensation of key management personnel

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of certain disclosures required by IFRS 7 Financial Instruments.

The financial statements of the company are presented in Pounds sterling, which is also the company's functional currency. All values are rounded to the nearest thousands, except where otherwise indicated.

This company qualifies as a small company and therefore exempt from presenting a strategic report under s414B of Companies Act 2006. The directors do not believe there to be any critical estimates or judgements.

***Turnover***

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover, which is 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.

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2017**

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**1. Summary of significant accounting policies (continued)**

***Foreign currencies***

Monetary assets and liabilities in foreign currencies are expressed in sterling at the foreign exchange rates ruling at the balance sheet date. Transactions arising in foreign currency are translated at their spot rate and resultant exchange differences are recorded in the profit and loss account.

***Current income tax***

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

The current tax charge can also include group relief payable to group companies for the value of losses surrendered in the period and reflected as a payable to the relevant group company.

**2. Turnover**

The turnover for the year was all attributable to the company's principal activity to clients in North and Western Africa £2,435,601 (2016: £3,452,023).

**3. Auditors' remuneration**

Auditors' remuneration, which amounted to £5,000 (2016: £3,000), has been met by a fellow group company. There were no other fees for any other services paid to the auditors for the year (2016: nil).

**4. Directors' emoluments**

There were no directors remunerated solely by the company in 2017 or 2016 consequently no directors received contributions towards money purchase pension schemes in 2017 or 2016. Some directors of the company are also directors of the ultimate parent company or fellow subsidiaries and receive remuneration directly from these companies. The directors do not believe that it is practicable to apportion their remuneration between their services as directors of the company and their services as directors of the holding and fellow companies.

**5. Employees**

The company had no UK employees (2016: none) but there was one representative working in the Egypt branch (2016: 1).

	2017 £'000	2016 £'000
Wages and salaries	37	8
	<u>37</u>	<u>8</u>

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2017**

**6. Income tax expense**

(a) The taxation charge is made up as follows:

	2017 £'000	2016 £'000
UK corporation tax	-	-
Tax on loss	-	-
	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the loss for the year is higher than the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are reconciled below:

	2017 £'000	2016 £'000
<b>Loss before income tax</b>	<b>(124)</b>	<b>(636)</b>
Loss before income tax multiplied by standard rate of corporation tax in the UK 19.25% (2016: 20.00%)	(24)	(127)
Effect of: Losses surrendered for the year	24	127
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

(c) Factors affecting current and future tax charges

The main rate of corporation tax was reduced from a rate of 20.00% (2016) to a hybrid rate of 19.25% for the calendar year 2017, with deferred tax being recognised at 20%. Legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020 was included in the Finance (No 2) Act 2015.

There is no deferred tax impact within this company (2016: none).

**7. Debtors**

	2017 £'000	2016 £'000
Trade debtors	791	1,150
Amounts owed by group undertakings	2,694	2,305
Amounts receivable on contracts	230	-
	<u>3,715</u>	<u>3,455</u>

Amounts owed by group or parent undertakings are unsecured, interest free and have no fixed repayment date.

**Genesis Oil and Gas Limited (Registered number: 2832348)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2017**

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

	2017 £'000	2016 £'000
Amounts owed to group undertakings	737	720
Corporation tax	33	33
Accruals and deferred income	422	32
	1,192	785
	1,192	785

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

**9. Called up share capital**

	2017 No.	<i>Authorised</i> 2016 No.
Ordinary shares of £1 each	100	100
	100	100
	100	100

	2017 £'000	<i>Allotted and fully paid</i> 2016 £'000
1 (2016:1) ordinary share of £1	-	-
	-	-
	-	-

**10. Ultimate parent undertaking**

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

On January 17 2017, TechnipFMC Plc (TechnipFMC) (NYSE and Euronext: FTI) announced that it is operating as a unified, combined company following completion of the merger of FMC Technologies Inc (FMC) and Technip SA (Technip). The merger creates a global leader in oil and gas projects, technologies, systems and services that will enhance the performance of the world's energy industry.

The ultimate parent undertaking and controlling party is now TechnipFMC Plc, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest group to consolidate these financial statement. The consolidated financial statements of TechnipFMC plc are available for inspection at [www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM), and can also be found on the TechnipFMC website ([investors.technipfmc.com](http://investors.technipfmc.com)).