

**Company Registration No. 10233941**  
**United Kingdom**

**Tulow Gambia Limited**

**Annual Report and Audited Financial Statements**

**For the year ended 31 December 2019**

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# **Tulow Gambia Limited**

## **Annual report and financial statements**

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# **Tullow Gambia Limited**

## **Officers and professional advisers**

### **Directors**

A Holland  
R Miller  
R Rowland-Clark  
G Wood

### **Secretary**

Any director of the company  
has authority to perform  
company secretary duties.

### **Registered office**

9 Chiswick Park  
566 Chiswick High Road  
London W4 5XT  
United Kingdom

### **Solicitors**

Dickson Minto W.S.  
Broadgate Tower  
20 Primrose Street  
London EC2A 2EW  
United Kingdom

### **Bankers**

JP Morgan Chase and Co.  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

### **Auditor**

Deloitte LLP  
Statutory Auditor  
London

# **Tullow Gambia Limited**

## **Strategic report**

The directors of Tullow Gambia Limited (the “company”) present their strategic report for the year ended 31 December 2019.

### **Principal activity and review of business**

The expected principal activity of the company is to acquire and hold interests in exploration licenses in Gambia. The company does not expect to change its principal activity in the 2020 financial year.

The company currently holds no licenses. As a result, there was no activity during the year.

### **Results and dividends**

The company recorded a result of US\$nil (2018: US\$nil) for the year ended 31 December 2019.

The directors have not proposed, declared or paid any dividends during the current year (2018: US\$nil).

### **Capital structure**

Refer to note 7 for details regarding the company’s capital structure

### **Principal risks and uncertainties**

The principal risks and uncertainties are detailed below.

### **Financial risk management objectives and policies**

The company seeks to minimise the effects of fair value interest rate risk, credit risk and price risk through active management processes where it is considered appropriate to do so. The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

### **Market risks**

Given the early stages of projects, the company is not currently exposed to market risk arising from its investment in the exploration of oil and gas, nor to risks arising from changes in the price of oil. However in future periods, the company may become exposed to this risk. The board is responsible for the monitoring of exposure to market risk.

### **Credit risk**

The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit risk on other receivables is limited because the counterparties are joint venture partners which are considered to be reputable companies.

### **Liquidity and interest risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company considers that it is able to actively source financing from its shareholder to manage its risk.

# **Tullow Gambia Limited**

## **Strategic report (continued)**

### **Key performance indicators (KPIs)**


The directors of Tullow Oil plc manage the group's operations at a group level. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the company's business. The development, performance and position of the group are discussed in the group's 2019 annual report which does not form part of this report.

### **Uncertainty around finding commercial reserves**

There is a risk that the company may never discover commercial reserves while undertaking its oil exploration activities. The directors assess exploration projects, on an ongoing basis, for viability. All exploration costs are written off to the statement of comprehensive income unless commercial reserves are established or the determination process is not completed, and there are no indications of impairment.

The financial statements on pages 3 to 19 were approved by the board of directors on 12 May and signed on its behalf by:

\_\_\_\_\_  
R Miller  
Director  
12 May 2020



# **Tullow Gambia Limited**

## **Directors' report**

The directors of Tullow Gambia Limited (the "company") present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2019.

The financial risk management objectives and policies, as well as dividends and future developments are addressed in the Strategic report (refer to pages 3 and 4).

### **Directors, secretaries and their interests**

The directors, who held office, at the date of this report, are listed on page 2. The changes to the company's directors during the year and between the accounting and the date of this report are as follows:

- K Massie – resigned on 1 August 2019.
- A Holland – appointed on 1 August 2019.
- P McDade – resigned on 13 December 2019.

The directors did not have any interests in the shares of the company at any time during the year. In accordance with the Articles of Association, none of the directors retire by rotation.

The company secretary, who held office at the date of this report, is listed on page 2. The changes to the company's secretary during the year and between the accounting and the date of this report are as follows:

- K Massie – resigned on 1 August 2019.

Following the resignation of the secretary as noted above, any director of the company has the authority to perform company secretary duties.

### **Going concern**

The expected principal activity of the company is to acquire and hold interests in exploration licenses in Gambia. The company does not expect to change its principal activity in the 2020 financial year.

The company recorded a result of US\$nil (2018: US\$nil) for the year ended 31 December 2019. As at 31 December 2019 the company had a net asset position of US\$1 (2018: US\$1).

The ability to meet its obligations as they fall due is dependent on the ultimate parent company providing financial support during the period of assessment. A letter of support has therefore been provided by Tullow Oil plc, which states it will provide the necessary financial support to ensure that this company is able to operate as a going concern for at least twelve months from the date of signing of these financial statements.

However, at the time of issuing the consolidated Annual Report and Accounts of Tullow Oil plc and its subsidiaries (the "Group") on 12 March 2020, there were unprecedented market conditions with significant oil price volatility following the demand implications driven by COVID-19 and the failure of OPEC and Russia to reach agreement to cut oil supply to balance markets. Therefore, this increases the risk that the Group may not be able to sufficiently progress any planned portfolio management activities as a result of which its lenders may not approve the semi-annual redetermination of the RBL facility which was under way at that point. Therefore, the Directors of Tullow Oil plc concluded that there is a material uncertainty, that may cast significant doubt, that the Group will be able to operate as a going concern. The Group continues to closely monitor cash flow forecasts and would take mitigating actions in advance to maintain compliance with its external debt facilities, including securing amendments to covenants if necessary. The Directors of the Group believe the RBL gearing covenant could be amended in advance if required which is both consistent with past practice and the reasonable expectation of the commercial interests of the counterparties involved. In this scenario, the Group would also target a further rationalisation of its cost base, including cuts to discretionary capital expenditure. Notwithstanding this material uncertainty, the Board's confidence in the Group's forecasts and ability to deliver portfolio management proceeds supported preparation of the consolidated financial statements of Tullow Oil plc on a going concern basis.

# **Tullow Gambia Limited**

## **Directors' report (continued)**

### **Going concern (continued)**

The oil price has continued to be volatile subsequent to the issue of the Group's Annual Report and Accounts as a result of OPEC increasing production and whilst the successful completion of the RBL redetermination was announced on 3 April 2020, the next redetermination of RBL facility in September 2020 is within the going concern period and there remains uncertainty regarding the redetermination. The Directors of the company have therefore concluded that these circumstances constitute a material uncertainty that may cast significant doubt over the Group's and therefore the company's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. However, on the basis of the Directors' assessment of the Company's financial position, the enquiries made of the Directors of Tullow Oil plc, and the mitigating actions available to the Group, the directors have assessed that although a material uncertainty exists, the Company has adequate resources to continue as a going concern for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

### **Events subsequent to year end**

The ultimate parent, Tullow Oil Plc, and its subsidiaries (together "the Group") continues to monitor the ongoing COVID-19 outbreak. The key impact has been in respect of short term oil demand and price volatility as noted in the going concern section above resulting in a material uncertainty in relation to going concern.

The Group has experience of managing infectious diseases of this nature following the significant contingency planning put in place during the West African Ebola outbreak in 2015. The Group actively monitors advice from the World Health Organisation and Public Health England, as well as participates in weekly calls with the International Oil and Gas Producers' Health Committee relating to the COVID-19 outbreak to ensure best practice precautions are being applied.

At present the threat level in the Group's countries of operation remains low, as per our Infectious Disease Health Management Guideline, however we continue to closely monitor this as the situation develops which may result in additional changes to those disclosed above within this note. Clear information and health precautions on how employees should protect themselves and reduce exposure to, and transmission of, a range of illnesses along with general advice has been communicated across the organisation. In both Ghana and Kenya, the Group's in-country teams have set up their EID (Emerging Infectious Disease) Management committees in response to the current COVID-19 outbreak.

These EID committees steer the local management response to the outbreak, including ensuring that our contractors have implemented appropriate measures. We have also implemented 'self-declaration' forms for all personnel travelling to the Group's offshore assets in Ghana, that require people to sign-off that they have not been to the 'specified locations' as defined by the UK Foreign & Commonwealth Office in the last 30 days, as well as implementing business travel restrictions to and from these 'specified locations'. In the event that the COVID-19 outbreak escalates, the country specific Business Continuity Plans set out how the Group will continue to operate, recover quickly from, and effectively manage the response.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### **Supplier payment policy**

It is company policy to settle all debts with creditors on a timely basis and in accordance with the terms of credit agreed with each supplier.

# **Tullow Gambia Limited**

## **Directors' report (continued)**

### **Directors' indemnities**

As at the date of this report, indemnities are in force under which the ultimate parent company of the company has agreed to indemnify the directors, to the extent permitted by the Companies Act 2006, against claims from third parties in respect of certain liabilities arising out of, or in connection with, the execution of their powers, duties and responsibilities as directors of the company.

### **Dividends, financial risk management and key risks**

Refer to the Strategic report on page 3 to 4 for details regarding dividends, financial risk management and key risks.

### **Charitable and political donations**

The company did not make any charitable or political contributions during the year (2018: US\$nil).

### **Auditor**

Each person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

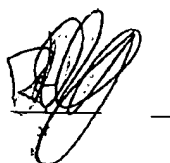
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Following the competitive audit tender carried out in 2018, the Board of Tullow Oil plc selected Ernst & Young LLP as statutory auditors of the group and all subsidiaries from the 31 December 2020 financial year end.

Ernst & Young LLP indicated their willingness to act and their appointment will be approved at the 2020 Annual General Meeting.

The financial statements on pages 3 to 19 were approved by the board of directors on 12 May and signed on its behalf by:

\_\_\_\_\_  
R Miller  
Director  
12 May 2020





## **Tulow Gambia Limited**

### **Statement of directors' responsibilities**

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 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), including FRS 101 "Reduced Disclosure Framework". 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

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 Tullow Gambia Limited**

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

### **Opinion**

In our opinion the financial statements of Tullow Gambia Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty related to going concern**

We draw attention to note 2 in the financial statements and the detailed information in the Directors' Report regarding the company's ability to continue as a going concern; this is dependent on the ability of the company's ultimate parent, Tullow Oil plc, and its subsidiaries (together the "Group") being able to generate sufficient cashflows in order to meet scheduled loan repayments and covenant requirements, and hence to operate within its existing debt facilities. Oil price volatility continues to place increased pressure on these cashflows and the ability of the Group to comply in the future with the gearing component. As indicated in the Directors' Report, given current market conditions, there is a risk that the Group may not be able to complete any planned portfolio management activities and that its lenders may not approve the semi-annual RBL redetermination liquidity assessments and or amendments to covenants. As stated in the Directors' Report, these events or conditions, along with the other matters as set forth in the Directors' Report, indicate that a material uncertainty exists that may cast significant doubt on the Group's, and therefore the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

# **Independent auditor's report to the members of Tullow Gambia Limited (continued)**

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

## **Auditor's 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 auditor's 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 auditor's report.

## **Report on other legal and regulatory requirements**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

## **Independent auditor's report to the members of Tullow Gambia Limited (continued)**

### **Use of our report**

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.



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Anthony Matthews, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
12 May 2020

# Tullow Gambia Limited

## Statement of comprehensive income For the year ended 31 December

	Notes	2019 US\$	2018 US\$
<b>Continuing activities</b>			
Administrative costs	4	-	-
		<hr/>	<hr/>
<b>Operating result</b>		-	-
Foreign exchange gain		-	-
		<hr/>	<hr/>
<b>Result from continuing activities before tax</b>		-	-
Income tax expense	5	-	-
		<hr/>	<hr/>
<b>Result for the year from continuing activities</b>		-	-
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>Total comprehensive result for the year</b>		<hr/>	<hr/>

All activities are derived from continuing operations.

The notes on pages 15 - 19 form an integral part of these financial statements.

# Tulow Gambia Limited

## Statement of financial position At 31 December

	Notes	2019 US\$	2018 US\$
<b>Assets</b>			
<b>Current assets</b>			
Related party loan receivable	6	1	1
<b>Net current assets</b>		1	1
<b>Total assets</b>		1	1
<b>Total assets less current liabilities</b>		1	1
<b>Net assets</b>		1	1
<b>Equity</b>			
Share capital	7	1	1
<b>Total equity</b>		1	1

The notes on pages 15 – 19 form an integral part of these financial statements.

The financial statements of the company, Tulow Gambia Limited (company no: 10233941), on pages 3 to 19 were approved by the board of directors on 12 May and signed on its behalf by:

\_\_\_\_\_  
R Miller  
Director  
12 May 2020



## **Tullow Gambia Limited**

### **Statement of changes in equity For the year ended 31 December 2019**

	<b>Share capital US\$</b>	<b>Total US\$</b>
<b>Balance at 31 December 2017</b>	1	1
Total comprehensive result for the year	-	-
	<hr/>	<hr/>
<b>Balance at 31 December 2018</b>	1	1
Total comprehensive result for the year	-	-
	<hr/>	<hr/>
<b>Balance at 31 December 2019</b>	1	1
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 - 19 form an integral part of these financial statements.

# **Tullow Gambia Limited**

## **Notes to the financial statements For the year ended 31 December 2019**

### **1. General information**

Tullow Gambia Limited is a private company, limited by shares, incorporated and registered in the United Kingdom (England and Wales). The address of the registered office is given on page 2. The principal activity of the company is given on page 3.

### **2. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

The financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted by the company are set out below.

#### **Going concern**

The financial statements have been prepared on the going concern basis. In order to determine whether it is appropriate for the Company to report as a going concern, the Directors consider financial position of the company, its business activities, principal risks and uncertainties, as well as the Company's reliance on its ultimate parent company, Tullow Oil plc, providing financial support during the period of assessment. The details of the going concern assessment performed and conclusion reached, including the identification of a material uncertainty related to going concern, are discussed in the Director's report on pages 5 and 6. The adoption of the going concern basis of accounting is a critical accounting judgement, as disclosed in note 3.

#### **Foreign currencies**

The US dollar is the presentation currency and the functional currency of the company.

Transactions in foreign currencies are recorded at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities are translated into functional currency at the exchange rate ruling at the statement of financial position date, with a corresponding charge or credit to the statement of comprehensive income. However, exchange gains and losses arising on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### **Share issue expenses and share premium account**

Costs of share issues are written off against the premium arising on the issues of share capital.

#### **Tax**

Current and deferred tax, including UK corporation tax and overseas corporation tax, are provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred corporation tax is recognised on all temporary differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more, or right to pay less, tax in the future have occurred at the statement of financial position date. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying temporary differences can be deducted. Deferred tax is measured on a non-discounted basis.



# **Tullow Gambia Limited**

## **Notes to the financial statements (continued) For the year ended 31 December 2019**

### **2. Accounting policies (continued)**

#### **Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL); financial assets 'at fair value through other comprehensive income (FVTOCI); 'and amortised cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### **Trade and other receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market as classified as financial assets held at amortised cost, less impairment or allowance based on the expected credit loss of the balance under IFRS 9.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### **Financial liabilities and equity instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

### **3. Critical accounting judgements**

The company assesses critical accounting judgements annually. The following are the critical judgements, apart from those involving estimations (which are dealt with below) that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- Application of the going concern basis of accounting;

The financial statements have been prepared on the going concern basis. In order to determine whether it is appropriate for the company to report as a going concern, the directors consider financial position of the company, its business activities, principal risks and uncertainties, as well as the company's reliance on its ultimate parent company, Tullow Oil plc, providing financial support during the period of assessment. The details of the going concern assessment performed and conclusion reached, including the identification of a material uncertainty related to going concern, are discussed in the Director's Report on pages 5 and 6.

#### **Key sources of estimation uncertainty**

There were no key sources of estimation uncertainty during the current year.

# Tullow Gambia Limited

## Notes to the financial statements (continued) For the year ended 31 December 2019

### 4. Administrative costs

The fee for the audit of the company's statutory accounts of US\$7,000 (2018: US\$6,900) was borne by another group company.

The statutory auditor did not provide any non-audit services to Tullow Gambia Limited during the current or prior years.

### 5. Income tax expense

No tax is payable in the year (2018: US\$nil) as the company had no taxable income.

The company is subject to UK corporation tax. The Finance Act 2020 sets the Corporation Tax main rate at 19% for the financial year beginning 1 April 2020. This maintains the rate at 19%, rather than reducing it to 17% from 1 April 2020. The charge to Corporation Tax and the main rate will also be set at 19% for the financial year beginning 1 April 2021. These changes were substantively enacted on 17 March 2020 and hence the effect of the change on the deferred tax balances has been included, depending upon when deferred tax is expected to reverse.

### 6. Related party loan receivable

	2019	2018
	US\$	US\$
Tullow Overseas Holdings B.V.	1	1

The loan above is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

# Tullow Gambia Limited

## Notes to the financial statements (continued) For the year ended 31 December 2019

### 7. Called up share capital

#### Allotted, called up and fully paid share capital

	Share capital allotted and fully paid Number	Share capital US\$
At 31 December 2017	1	1
Issued during the year	-	-
	<hr/>	<hr/>
At 31 December 2018	1	1
Issued during the year	-	-
	<hr/>	<hr/>
At 31 December 2019	1	1
	<hr/>	<hr/>

On 15 June 2016, 1 share was issued to Tullow Overseas Holdings B.V. for a consideration of £1. The £/US\$ exchange rate at incorporation was US\$0.704.

The company does not have an authorised share capital. The par value of the company's shares is £1.

### 8. Directors' emoluments and employees

None of the directors received any remuneration for their services to the company during the year (2018: US\$nil).

No employees were employed during the year (2018: none).

### 9. Capital commitments and contingencies

There were no contingent liabilities or capital commitments at the end of the year (2018: US\$nil).

### 10. Immediate parent and ultimate holding company

Tullow Overseas Holdings B.V., a company incorporated in the Netherlands, is the immediate parent company of Tullow Gambia Limited.

Tullow Oil plc, a company incorporated in the United Kingdom, is Tullow Overseas Holdings B.V.'s immediate parent company and ultimate holding company of Tullow Gambia Limited.

The ultimate holding company is the only group which includes the company and for which consolidated financial statements is produced. These consolidated financial statements can be obtained from Tullow Oil plc, 9 Chiswick Park, 566 Chiswick High Road, London W4 5XT which is its registered address.

# **Tullow Gambia Limited**

## **Notes to the financial statements (continued)** **For the year ended 31 December 2019**

### **11. Events subsequent to the year end**

The ultimate parent, Tullow Oil Plc, and its subsidiaries (together “the Group”) continues to monitor the ongoing COVID-19 outbreak. The key impact has been in respect of short term oil demand and price volatility as noted in the going concern section in the Directors Report on pages 5 and 6 of these financial statements resulting in a material uncertainty in relation to going concern.

The Group has experience of managing infectious diseases of this nature following the significant contingency planning put in place during the West African Ebola outbreak in 2015. The Group actively monitors advice from the World Health Organisation and Public Health England, as well as participates in weekly calls with the International Oil and Gas Producers’ Health Committee relating to the COVID-19 outbreak to ensure best practice precautions are being applied.

At present the threat level in the Group’s countries of operation remains low, as per our Infectious Disease Health Management Guideline, however we continue to closely monitor this as the situation develops which may result in additional changes to those disclosed above within this note. Clear information and health precautions on how employees should protect themselves and reduce exposure to, and transmission of, a range of illnesses along with general advice has been communicated across the organisation. In both Ghana and Kenya, the Group’s in-country teams have set up their EID (Emerging Infectious Disease) Management committees in response to the current COVID-19 outbreak.

These EID committees steer the local management response to the outbreak, including ensuring that our contractors have implemented appropriate measures. We have also implemented ‘self-declaration’ forms for all personnel travelling to the Group’s offshore assets in Ghana, that require people to sign-off that they have not been to the ‘specified locations’ as defined by the UK Foreign & Commonwealth Office in the last 30 days, as well as implementing business travel restrictions to and from these ‘specified locations’. In the event that the COVID-19 outbreak escalates, the country specific Business Continuity Plans set out how the Group will continue to operate, recover quickly from, and effectively manage the response.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.