

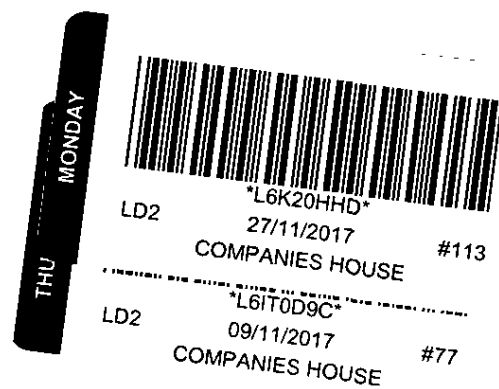
COMPANY REGISTRATION NUMBER FC024509



**GOLAR GIMI LIMITED**

NON-STATUTORY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



## **GOLAR GIMI LIMITED**

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## **GOLAR GIMI LIMITED**

### **COMPANY INFORMATION**

<b>Company registration number</b>	FC024509
<b>The board of directors</b>	S Buchanan R Swan B Tienzo
<b>Company secretary</b>	B Tienzo
<b>Registered office</b>	2 <sup>nd</sup> Floor S.E. Pearman Building 9 Par-la-Ville Road Hamilton HM11

## **GOLAR GIMI LIMITED**

### **REPORT OF THE DIRECTORS**

The directors submit their non-statutory Report on the affairs of Golar Gimi Limited, company registration number FC024509 (the “Company”), together with the non-statutory financial statements for the period ended 31 December 2016.

The financial statements on pages 6 to 15 are not the Company’s statutory financial statements.

### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

Prior to the termination of the lease held by the Company on 18 February 2015, the principal activity of the Company was that of lessors and financiers of its sole vessel, the Gimi, for the corporate sector, which is a related group company.

The balance sheet on page 7 shows that the net assets of the Company. Details of amounts owed to other Group undertakings at 31 December 2016 are shown in note 11 to the financial statements.

The Directors do not expect any significant change in the level of business post termination, while they continue to review the strategy of the Company.

### **RESULTS AND DIVIDENDS**

The Company did not trade in the current year ended 31 December 2016. The profit for the period on ordinary activities after taxation amounted to £80,224 for the year ended 31 December 2015.

No interim dividend was declared during the year (2015: £nil).

### **DIRECTORS**

The directors who served throughout the period and to the date of this report, except as noted, were as follows:

S Buchanan

R Swan

B Tienzo

No director had a material interest at any time during the period in any contract of significance with the Company (2015: none).

## **GOLAR GIMI LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing these non-statutory financial statements.

The directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The directors' fiduciary duties require that 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 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue.

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 provisions of the Companies Act 2006 which would have applied if the financial statements were statutory financial statements. 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.

### **STATEMENT OF GOING CONCERN**

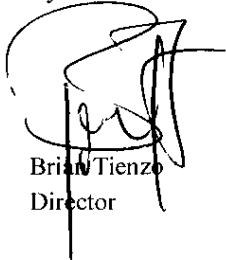
The financial position of the Company, its cash flows, liquidity position and borrowing facilities are set out in the financial statements.

Post termination of the long funded finance lease in February 2015 the directors are reviewing the strategy of the company.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

Since 19 October 2010 the Company has been a wholly owned subsidiary of Golar GHK Lessors Limited, a company incorporated in the Republic of the Marshall Islands, which is a subsidiary of Golar LNG Limited, the ultimate parent company. Risks are principally managed by Golar LNG Limited for the group as a whole.

By Order of the Board,



Brian Tienzo  
Director

**09 NOV 2017**

**GOLAR GIMI LIMITED**

**INCOME STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	31 Dec 2016	31 Dec 2015
		£	£
Gross rental earnings	6	—	221,313
<b>PROFIT FROM OPERATIONS</b>		—	221,313
Finance costs	7	—	(1,333)
<b>PROFIT BEFORE TAX</b>		—	219,980
Tax	8	(163,975)	(139,756)
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF GOLAR GIMI LIMITED</b>		<b>(163,975)</b>	<b>80,224</b>

All the activities of the group are attributable to discontinued operations

*The notes on pages 10 to 15 form part of these financial statements.*

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**

The Company has no comprehensive income or expenses attributable to the equity holders other than the loss for the current year and the previous period as set out in the Income Statement.

*The notes on pages 10 to 15 form part of these financial statements*

**GOLAR GIMI LIMITED**

**COMPANY REGISTRATION NUMBER FC024509**

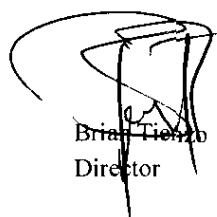
**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2016**

	Notes	31 Dec 2016 £	31 Dec 2015 £
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	23,514,412	23,510,909
<b>TOTAL ASSETS</b>		<b>23,514,412</b>	<b>23,510,909</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	(712,991)	(545,513)
<b>TOTAL LIABILITIES</b>		<b>(712,991)</b>	<b>(545,513)</b>
<b>TOTAL NET ASSETS</b>		<b>22,801,421</b>	<b>22,965,396</b>
<b>EQUITY</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
Issued share capital	14	12,001	12,001
Share premium		22,302,167	22,302,167
Retained profit		487,253	651,228
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF GOLAR GIMI LIMITED</b>		<b>22,801,421</b>	<b>22,965,396</b>

*The notes on pages 10 to 15 form part of these financial statements.*

The financial statements were approved by the board of directors and authorised for issue on  
They were signed on its behalf by:



Brian Lienzo  
Director

**09 NOV 2017**

**GOLAR GIMI LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Issued share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
	£	£	£	£
Balance at 31 December 2014	12,001	22,302,167	571,004	22,885,172
Profit for the year	—	—	80,224	80,224
Balance at 31 December 2015	<b>12,001</b>	<b>22,302,167</b>	<b>651,228</b>	<b>22,965,396</b>
Loss for the year	—	—	<b>(163,975)</b>	<b>(163,975)</b>
Balance at 31 December 2016	<b>12,001</b>	<b>22,302,167</b>	<b>487,253</b>	<b>22,801,421</b>

*The notes on pages 10 to 14 form part of these financial statements.*



**GOLAR GIMI LIMITED**

**FUND FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	31 Dec 2016 £	31 Dec 2015 £
<b>Total (loss)/profit for the year</b>		<b>(163,975)</b>	<b>80,224</b>
Decrease in trade and other receivables, including related parties		—	594,482
Decrease in trade and other payables, including related parties		<b>163,975</b>	(652,336)
Increase in corporation tax receivables		—	(22,445)
Increase in accruals		—	75
<b>NET FUND FLOWS FROM OPERATING ACTIVITIES</b>		<b>—</b>	<b>—</b>
<b>FUND FLOWS FROM INVESTING ACTIVITIES</b>			
Net receipt from fellow group undertaking		—	—
<b>NET INCREASE IN FUNDS</b>		<b>—</b>	<b>—</b>
Cash and cash equivalents as at 1 January		—	—
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER</b>	13	<b>—</b>	<b>—</b>

*The notes on pages 10 to 14 form part of these financial statements.*

## **GOLAR GIMI LIMITED**

### **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS**

The non-statutory financial statements for Golar Gimi Limited, Company registration number FC024509 (the “Company”), for the year ended 31 December 2016 were authorised for and the Balance Sheet signed on the Board's behalf by Brian Tienzo. The Company is incorporated in Bermuda and registered in England & Wales as an overseas branch. The Company's registered office is shown on page 2.

The principal accounting policies adopted by the Company are set out in note 2.

Results and disclosures for the comparative year are on the same basis as the 2015 results.

#### **2. ACCOUNTING POLICIES**

##### **Basis of accounting**

The Company's non-statutory financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and adopted for use by the European Union.

None of the new or revised standards or interpretations becoming effective for the period were relevant to the Company.

##### *Going concern*

On 18 February 2015, the long term funded finance lease was voluntarily terminated, post transaction the directors are reviewing the strategy of the company. Consequently the directors continue to adopt the going concern basis as disclosed in the Report of the Directors - Statement of Going Concern.

The Company prepares its financial statements under the historical cost convention and on the going concern basis.

##### **Revenue recognition**

Revenue from finance leases is recognised in accordance with the Company's policy on Finance Lease Receivables (see below).

Upfront arrangement fees on financing agreements with customers are spread on an effective interest rate basis over the expected life of those agreements.

##### **Finance lease agreements**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### **Finance lease receivables**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

## **GOLAR GIMI LIMITED**

### **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'Profit before tax' as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the Balance Sheet date.

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

The Company does not hold cash or cash equivalents and accordingly, no cash flow statement is prepared. The company funds its working capital movements through its intercompany accounts. Movements in the intercompany accounts are considered significant non-cash transactions. The company has chosen to present these non-cash transactions in a funds flow statement, showing movements on the intercompany accounts.

#### **Financial instruments**

Financial assets and liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### **Financial assets**

The Company classifies all its financial assets, as determined at initial recognition, as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

'Loans and advances to customers' are classed as Loans and Receivables. 'Net investment in finance leases' are treated in accordance with the Company's policy on finance lease agreements.

#### **Financial liabilities**

Non-trading financial liabilities are held at amortised cost. Finance costs are charged to the Income Statement using the effective interest rate method.

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### **Effective interest method**

Interest expense on financial assets and liabilities held at amortised cost is measured using the effective interest rate method, which allocates the interest income or interest expense over the expected life of the lease agreements. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount on initial recognition.

## **GOLAR GIMI LIMITED**

### **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The amount of the impairment is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

#### **Changes to IFRS not adopted in the 2016 financial statements**

The International Accounting Standards Board has published various IAS, IFRS and International Financial Reporting Interpretations Committee (IFRIC) interpretations which are not yet effective.

The Company has not elected to adopt these Standards and Interpretations early in these financial statements. The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

### **3. Critical accounting estimates and areas of significant management judgement**

Some asset and liability amounts reported in the financial statements are based on management judgment, estimates and assumptions. There is a risk of significant changes to the carrying amounts for these assets and liabilities within the next financial period.

#### **Impairment Provisions**

Individual provisions are made in respect of finance and rental agreements where recovery is considered doubtful. The provisions are deducted from the net investment in finance agreements. The charge in the Income Statement comprises write offs, recoveries and the net movement in provisions in the period.

#### **Effective interest rate calculations**

IAS 39 "Financial Instruments: Recognition and Measurement" requires certain financial assets and liabilities to be held at amortised cost, with income recognised using the effective interest rate (EIR) methodology. In order to calculate EIR, the contracted repayment profile is used. If customers repay earlier than anticipated, this will generally lead to a reduction in the Balance Sheet carrying value and a gain in the Income Statement.

### **4. Risk management policy and control framework**

As a result of its normal business activities, the Company is exposed to a variety of risks, the most significant of which are operational risk, credit risk, market risk, interest rate risk and liquidity risk. The Company manages its risk in line with the central risk management function outlined in the annual report and financial statements of Golar LNG Limited.

## **GOLAR GIMI LIMITED**

### **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **5. RISK MANAGEMENT DISCLOSURES**

##### **Credit risk**

Credit risk is the risk of loss arising from a customer or counterparty failing to meet their financial obligations to the Company as and when they fall due. The credit quality of customer assets is mitigated by the credit approval process in place.

The Company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or group of borrowers. Such risks are monitored on a revolving basis and subject to an annual or more frequent review.

For the Company, 100% (2015: 100%) of the balances are to related parties. The company recognises that the effective management of credit risk is essential to the maintenance of the shareholder value and manages credit risk accordingly.

##### **Arrears and impairment**

No financial assets were impaired as at 31 December 2016 (2015: £nil)

##### **Liquidity risk**

Liquidity risk is the risk that the Company either does not have sufficient financial resources available to meet its obligations as they fall due, or can only secure them at excessive cost.

All liabilities are repayable on demand.

The day to day management of liquidity is the responsibility of the Golar LNG Limited.

#### **6. PROFIT FROM OPERATIONS**

##### **Directors' emoluments**

The directors were not remunerated for their services to the Company. During the period directors' emoluments was borne by Golar Management UK Limited. No emoluments were paid by the Company to the directors during the period (2015: £nil).

##### **Auditors' remuneration**

Auditors' remuneration of £nil (2015: £nil).

No non-audit fees were borne on the Company's behalf in either the current year or the preceding year.

##### **Particulars of employees**

No salaries or wages have been paid to employees, including the directors, during the period or the preceding year. The Company had no employees in either the current period or the preceding year.

# GOLAR GIMI LIMITED

## NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 7. FINANCE COSTS

	31 Dec 2016	31 Dec 2015
	£	£
Amounts payable to group undertakings	—	(1,333)

### 8. TAX

	31 Dec 2016	31 Dec 2015
	£	£
<b>Current tax</b>		
Current tax expense	<u>(163,975)</u>	<u>(139,756)</u>

UK corporation tax is calculated at 20.00% (2015: 20.25%) of the estimated assessable profits for the year.

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows.

	31 Dec 2016	31 Dec 2015
	£	£
Profit/(loss) before tax	—	219,981
Tax calculated at a rate of 20.00% (2015: 20.25%)	—	(44,546)
Transfer pricing adjustment	(163,975)	(95,210)
Tax for the year	<u>(163,975)<sup>1)</sup></u>	<u>(139,756)</u>

### 9. DIVIDENDS

During the year the Company paid an interim dividend of £nil (2015 £nil).

### 10. TRADE AND OTHER RECEIVABLES

	31 Dec 2016	31 Dec 2015
	£	£
<b>Current</b>		
Corporation tax	89,385	85,882
<b>Non-current</b>		
Amounts due from related parties (note 11)	23,425,027	23,425,027
<b>Total trade and other receivables</b>	<u>23,514,412</u>	<u>23,510,909</u>

## GOLAR GIMI LIMITED

### NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

#### 11. RELATED PARTY TRANSACTIONS

##### At the balance sheet date

##### Parent undertaking and controlling party

The Company's immediate parent company is Golar GHK Lessors limited, a company incorporated in the Republic of the Marshall Islands. The Company's ultimate parent undertaking and controlling party is Golar LNG limited a company registered in Bermuda.

The smallest and largest group that consolidated the results of the Company is Golar LNG limited, copies of the group financial statements can be obtained from 2<sup>nd</sup> Floor, S.E. Pearman Building, 9 Par-la-Ville Road, Hamilton HM11.

##### Payable to related parties

The Company entered into transactions with other related parties as shown in the tables below.

	31 Dec 2016	31 Dec 2015
	£	£
Amounts owed to Golar Gas holdings (i)	(139,335)	(139,335)
Amounts owed to Golar Management	(573,038)	(405,560)
	<u>(712,373)</u>	<u>(544,895)</u>

	31 Dec 2016	31 Dec 2015
	£	£
Interest paid to fellow group companies	—	(1,333)

(i) Amounts to group undertakings are unsecured, bear interest at LIBOR plus a margin and are repayable on demand.

##### Due from related parties

The Company entered into transactions with related parties as shown in the table below.

	31 Dec 2016	31 Dec 2015
	£	£
Amount due from fellow group companies (note 12)	<u>23,425,027</u>	<u>23,425,027</u>

# GOLAR GIMI LIMITED

## NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 12. TRADE AND OTHER PAYABLES

	31 Dec 2016	31 Dec 2015
	£	£
Amounts due to related parties (note 11)	(712,373)	(544,895)
Accruals	(618)	(618)
<b>Total trade and other payables</b>	<b>(712,991)</b>	<b>(545,513)</b>

The directors consider that the carrying amount of the trade and other payables approximates to their fair value.

### 13. CASH AND CASH EQUIVALENTS

The Company does not hold cash or cash equivalents and accordingly, no cash flow statement is prepared. The Company funds its working capital movements through its intercompany accounts.

### 14. ISSUED SHARE CAPITAL

#### Issued share capital

	31 Dec 2016	31 Dec 2016	31 Dec 2015	31 Dec 2015
	Shares	£	Shares	£
<b>Authorised issued and fully paid</b>				
Ordinary shares of £1 each	12,001	12,001	12,001	12,001

All issued share capital is classified as equity.