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COMPANY REGISTRATION NUMBER FC024510

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**GOLAR HILLI LIMITED**

**NON-STATUTORY FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

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# **GOLAR HILLI LIMITED**

## **NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

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# **GOLAR HILLI LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**Company registration number** FC024510

**The board of directors**  
D Arnell  
G McDonald (resigned 21 September 2012)  
R Swan (appointed 21 September 2012)  
B Tienzo

**Company secretary** B Tienzo

**Registered office**  
Par- la- Ville Place  
14 Par- la-Ville Road  
Hamilton HM08  
Bermuda

# **GOLAR HILL LIMITED**

## **REPORT OF THE DIRECTORS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

The directors submit their non-statutory Report on the affairs of Golar Hill Limited, company registration number FC024510 (the "Company"), together with the non-statutory financial statements for the period ended 18 October 2012

During the period the period end was extended from 18 October to 31 December 2012

The financial statements on pages 5 to 18 are not the Company's statutory financial statements

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

The principal activity of the Company is that of lessors and financiers of its sole vessel, the Hilli, for the corporate sector, which, since the Company's change in ownership on 19 October 2010 is a related group company

The Business Review has been prepared solely to provide additional information to the members to assess the Company's strategies and the potential for those strategies to succeed

The Business Review contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this Report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information

As shown in the Company's income statement on page 5, the Company made a profit from operations of £430,155 during the year (2011 £387,613)

The balance sheet on page 7 shows that the net assets of the Company increased during the period. Details of amounts owed to fellow group undertakings at 18 October 2012 are shown in note 12 to the financial statements

### **RESULTS AND DIVIDENDS**

The profit for the period on ordinary activities after taxation amounted to £104,001 (2011 £99,476)

An interim dividend of £Nil (2011 £nil) was paid to shareholders

### **DIRECTORS**

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

D Arnell  
G McDonald (resigned 21 September 2012)  
R Swan (appointed 21 September 2012)  
B Tienzo

No director had a material interest at any time during the year in any contract of significance with the Company (period to 18 October 2011 none)

# **GOLAR HILI LIMITED**

## **REPORT OF THE DIRECTORS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **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 Company's business activities, together with the factors likely to affect its future development, performance and position are set out in this Report. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are set out in the financial statements.

#### **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

**GOLAR HILLI LIMITED****INCOME STATEMENT****FOR THE PERIOD ENDED 31 DECEMBER 2012**

	Notes	Period from 19 Oct 11 to 31 Dec 12 £	Year ended 18 Oct 11 £
Gross rental earnings		430,155	387,613
<b>PROFIT FROM OPERATIONS</b>	6	<u>430,155</u>	<u>387,613</u>
Finance costs	7	(291,947)	(246,601)
<b>PROFIT BEFORE TAX</b>		<u>138,208</u>	<u>141,012</u>
Tax	8	(34,207)	(41,536)
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF GOLAR HILLI LIMITED</b>		<u>104,001</u>	<u>99,476</u>

The notes on pages 9 to 18 form part of these financial statements

**STATEMENT OF COMPREHENSIVE INCOME****FOR THE PERIOD ENDED 31 DECEMBER 2012**

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

The notes on pages 9 to 18 form part of these financial statements

# **GOLAR HILLI LIMITED**

## **STATEMENT OF CHANGES IN EQUITY**

### **FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>Issued capital £</b>	<b>Share premium £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
Balance at 19 October 2010	12,000	-	-	12,000
Profit for the period	-	-	99,476	99,476
Balance at 18 October 2011	<u>12,000</u>	<u>-</u>	<u>99,476</u>	<u>111,476</u>
Profit for the period	-	-	104,001	104,001
Share issue (note 15)	1	20,951,006	-	20,951,007
Balance at 31 December 2012	<u>12,001</u>	<u>20,951,006</u>	<u>203,477</u>	<u>21,166,484</u>

The notes on pages 9 to 18 form part of these financial statements

**GOLAR HILLI LIMITED**  
(COMPANY REGISTRATION NUMBER FC024510)

**BALANCE SHEET**

**AS AT 31 DECEMBER 2012**

	Notes	31 Dec 12 £	18 Oct 11 £
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Trade and other receivables	10	<u>25,381,693</u>	<u>28,174,358</u>
		<b>25,381,693</b>	<b>28,174,358</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	<u>2,840,818</u>	<u>2,752,856</u>
<b>TOTAL ASSETS</b>		<u><b>28,222,511</b></u>	<u><b>30,927,214</b></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	<u>(7,056,027)</u>	<u>(30,815,738)</u>
<b>TOTAL NET ASSETS</b>		<u><b>21,166,484</b></u>	<u><b>111,476</b></u>
<b>EQUITY</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
Issued share capital	15	<b>12,001</b>	12,000
Share Premium	15	<b>20,951,006</b>	-
Retained profit		<u><b>203,477</b></u>	<u>99,476</u>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF GOLAR HILLI LIMITED</b>		<u><b>21,166,484</b></u>	<u><b>111,476</b></u>

The notes on pages 9 to 18 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 Henzo  
Director

# GOLAR HILLI LIMITED

## FUNDS FLOW STATEMENT

FOR THE PERIODE ENDED 31 DECEMBER 2012

	Notes	Period from 19 Oct 11 to 31 Dec 12 £	Year ended 18 Oct 11 £
<b>Total profit for the year</b>		<b>104,001</b>	<b>99,476</b>
Decrease in trade and other receivables		<b>2,704,702</b>	2,719,532
Increase in Corporation tax liabilities		<b>14,204</b>	-
Increase in Accruals		<b>6,181</b>	-
<b>NET FUND FLOWS FROM OPERATING ACTIVITIES</b>		<b><u>2,829,088</u></b>	<b><u>2,819,008</u></b>
<b>FUND FLOWS USED IN INVESTING ACTIVITIES</b>			
Inflow from issue of share capital (note 15)		<b><u>20,951,007</u></b>	-
<b>NET FUND FLOWS USED IN INVESTING ACTIVITIES</b>		<b><u>20,951,007</u></b>	-
Net payment of cash advances from fellow group undertakings		<b><u>(23,780,095)</u></b>	<b><u>(2,819,008)</u></b>
<b>NET FUND FLOWS USED IN FINANCING ACTIVITIES</b>		<b><u>(23,780,095)</u></b>	<b><u>(2,819,008)</u></b>
<b>NET INCREASE IN FUNDS</b>		-	-
Cash and cash equivalents as at 19 October		-	-
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER / 18 OCTOBER</b>	14	<b><u>-</u></b>	<b><u>-</u></b>

The notes on pages 9 to 18 form part of these financial statements

# **GOLAR HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

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

The non-statutory financial statements for Golar Hilli Limited, Company registration number FC024510 (the "Company"), for the period ended 31 December 2012 were authorised for issue on and the Balance Sheet signed on the Board's behalf by Brian Tienzo. The Company is incorporated in Bermuda and registered in England and 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 2011 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.

The Company prepares its financial statements under the historical cost convention and on the going concern basis. The directors continue to adopt the going concern basis as disclosed in the Report of the Directors - Statement of Going Concern. The principal policies adopted are set out below.

##### **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 HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **2. ACCOUNTING POLICIES (continued)**

##### **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

Deferred tax is the tax expected to be payable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity

##### **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

Loans and receivables are carried at amortised cost using the effective interest rate method, less any impairment. Interest calculated using the effective interest rate method is recognised in the income statement

# **GOLAR HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **2. ACCOUNTING POLICIES (continued)**

##### **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.

##### **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.

For finance lease receivables objective evidence of impairment could include

- a) significant financial difficulty of the issuer or counterparty, or
- b) default or delinquency in interest or principal payments, or
- c) it becoming probable that the borrower will enter bankruptcy or financial re-organisation

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.

# **GOLAR HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **2. ACCOUNTING POLICIES (continued)**

##### **Changes to IFRS not adopted in the 2012 accounts**

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 judgement, estimates and assumptions. There is a risk of significant changes to the carrying amounts for these assets and liabilities within the next financial year.

##### **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 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 HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **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. Since the Company's change in ownership the Company's sole activity has been that of lessor of the sole asset to a related group Company.

The class of financial instrument that is most exposed to credit risk in the Company is net investment in finance leases (note 11). The net investment in finance leases at 31 December 2012 was £28,174,460 (18 October 2011: £30,927,214).

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

Asset quality remains good with no lending balances in arrears at 31 December 2012 (2011: Nil).

No financial assets were impaired as at 31 December 2012 (2011: £nil) and no stock has been repossessed (2011: £nil).

The portfolio is subject to regular monitoring for potential impairment under the impairment of financial assets policy set out in note 2.

At 31 December 2012 £Nil (18 October 2012: £Nil) of lending that was past due or impaired, or had their terms renegotiated.

##### **Market risk**

Market risk is the potential adverse change in Company income or the value of Company net worth arising from movements in market rates, including interest rates, exchange rates, inflation rates and equity prices. The Company recognises that the effective management of market risk is essential to the maintenance of stable earnings and the preservation of shareholder value, and manages market risk accordingly.

# **GOLAR HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **5. RISK MANAGEMENT DISCLOSURES (continued)**

##### **Interest rate risk**

Interest rate risk is the most significant market risk to which the Company is exposed. This risk mainly arises from mismatches between the re-pricing dates of the interest bearing assets and liabilities on the Company's Balance Sheet, and from the investment of the Company's reserves. Interest rate risk primarily arises in the Company's leasing trade.

##### **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 were repayable on demand.

The day to day management of liquidity was the responsibility of 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 limited. No emoluments were paid by the Company to the directors during the year (2011: £Nil).

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

Auditors' remuneration of £Nil (2011: £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 year or the preceding year. The Company had no employees in either the current year or the preceding year.

#### **7. FINANCE COSTS**

	<b>Period from 19 Oct 11 to 31 Dec 12 £</b>	<b>Year ended 18 Oct 11 £</b>
Amounts payable to group undertakings	<b>291,947</b>	246,601
	<b><u>291,947</u></b>	<b><u>246,601</u></b>

# GOLAR HILLI LIMITED

## NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 DECEMBER 2012

#### 8. TAX

	Period From 19 Oct 11 to 31 Dec 12 £	Year ended 18 Oct 11 £
<b>Current Tax</b>		
Current tax expense	<u>34,207</u>	<u>41,536</u>

Corporation tax is calculated at 25% (2011 27%) of the estimated assessable profit for the period/year

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

	Period from 19 Oct 11 to 31 Dec 12 £	Year ended 18 Oct 11 £
Profit before tax	<u>138,208</u>	<u>141,012</u>
Tax calculated at a rate of 25% (2011 27%)	<u>34,207</u>	<u>38,073</u>
Transfer pricing adjustment	<u>-</u>	<u>3,463</u>
Tax expense for the year	<u>34,207</u>	<u>41,536</u>

# GOLAR HILLI LIMITED

## NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 DECEMBER 2012

#### 9. DIVIDENDS

No Dividends were paid to the shareholders in the period (2011 £nil)

#### 10. TRADE AND OTHER RECEIVABLES

	31 Dec 12 £	18 Oct 11 £
<b>Current</b>		
Finance lease receivables	2,792,767	2,752,856
Accrued income	48,051	-
	<u>2,840,818</u>	<u>2,752,856</u>
<b>Non current</b>		
Finance lease receivables	25,381,693	28,174,358
	<u>25,381,693</u>	<u>28,174,358</u>
<b>Total trade and other receivables</b>	<u>28,222,511</u>	<u>30,927,214</u>

#### 11. FINANCE LEASES

The finance lease receivables relates to the lease of the Company's vessel (The Hilli) to a fellow group company

	<i>Gross investment in the lease</i>		<i>Present value of minimum lease payments</i>	
	31 Dec 12 £	18 Oct 11 £	31 Dec 12 £	18 Oct 11 £
Less than one year	3,172,572	3,172,572	2,792,767	2,752,856
Later than one year but less than five years	12,690,289	12,690,289	11,568,942	11,408,384
Later than five years	14,276,576	17,449,148	13,812,751	16,765,974
	<u>30,139,437</u>	<u>33,312,009</u>	<u>28,174,460</u>	<u>30,927,214</u>
Less				
Unearned finance income	(1,964,977)	(2,384,795)		
Net investment in finance leases	<u>28,174,460</u>	<u>30,927,214</u>		
Non-current			25,381,693	28,174,358
Current			2,792,767	2,752,856
			<u>28,174,460</u>	<u>30,927,214</u>

The directors consider that the net investment in finance leases is approximately equal to their fair value

# **GOLAR HILLI LIMITED**

## **NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2012**

#### **12. 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 14 Par La Ville Place, Hamilton, Bermuda

##### **Trading activities**

##### **Payable to related parties**

	<b>31 Dec 12</b>	<b>18 Oct 11</b>
	<b>£</b>	<b>£</b>
Amounts owed to fellow group companies (i)	<b>6,974,106</b>	<b>30,815,738</b>
Amounts owed to fellow group companies	<b>20,000</b>	<b>-</b>
	<b><u>6,994,106</u></b>	<b><u>30,815,738</u></b>

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

<b>Interest paid to fellow group companies</b>	<b><u>291,947</u></b>	<b><u>246,601</u></b>
--	-----------------------	-----------------------

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

##### **Key management compensation**

As detailed in note 6 the Company had no employees in either the current period or the preceding year and the directors up until the balance sheet date were remunerated through Golar Management Ltd therefore no key management compensation was paid by this Company

# GOLAR HILLI LIMITED

## NOTES TO THE NON-STATUTORY FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 DECEMBER 2012

#### 13. TRADE AND OTHER PAYABLES

	31 Dec 12	18 Oct 11
	£	£
Payable to related parties (note 12)	6,994,106	30,774,202
Corporation tax	55,740	41,536
Accruals	6,181	-
	<u>7,056,027</u>	<u>30,815,738</u>

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

#### 14. 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.

#### 15. ISSUED SHARE CAPITAL

##### Issued share capital

	31 Dec 12 No	31 Dec 12 £	18 Oct 11 No	18 Oct 11 £
<b>Issued and fully paid</b>				
Ordinary shares of US\$1 each	<u>12,001</u>	<u>12,001</u>	<u>12,000</u>	<u>12,000</u>

On 31 October 2012 the authorised share capital of the Company was increased to US\$120,000. The company issued 1 share for £20,951,007, giving rise to a share premium of £20,951,006.

#### 16. SUBSEQUENT EVENTS

On 16 May 2014 the Company completed the sale of the vessel at market value for £23,970,266 and the associated voluntary termination of the finance lease by the lessee, Golar Gas Holding Company Inc generating a profit of £ 207,734.