Registered No: SC210359

ALBA RESOURCES LIMITED

REPORT & FINANCIAL STATEMENTS

FOR THE YEAR TO 31 DECEMBER 2015

ALBA RESOURCES LIMITED

Directors:

Simon Thomson
James Smith
Paul Mayland

Secretary:

Duncan Wood

Independent Auditors:

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow G2 7EQ

Solicitors:

Shepherd and Wedderburn LLP
1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Registered Office:

50 Lothian Road
Edinburgh EH3 9BY

Registered No:

SC210359

ALBA RESOURCES LIMITED

Directors' Report

The Directors present their report and financial statements for the year ended 31 December 2015.

The Company is a wholly-owned subsidiary of Alba Resources (Holdings) Limited. The results of the Company are consolidated into those of the ultimate parent company, Cairn Energy PLC, registered in Scotland, whose principal place of business is at 50 Lothian Road, Edinburgh, EH3 9BY. Copies of Cairn Energy PLC's financial statements are available to the public and may be obtained from the above mentioned address.

Business Review
This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and therefore the Directors have not prepared a Strategic Report.

The Company currently has no interests in oil and gas assets and consequently the directors are considering plans for the Company's future.

During the year the Company made a profit of £1.3m (2014: £2.8m) due to a realised exchange gain.

No dividend has been paid or declared in respect of the year ended 31 December 2015 (2014: none).

Principal Risks and Uncertainties
From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group which include those of the Company, are discussed in pages 36 to 42 of the Group's annual report which does not form part of this report.

Accounting Policies
Alba Resources Limited applies accounting policies in line with the Cairn Energy PLC Group accounting policies. Significant accounting policies of the Group are included in their financial statements. Accounting policies relating to non-material items are available on the Cairn Energy PLC website.

Financial Instruments
For detail of the Company's financial risk management policy see note 8.

Directors
The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Simon Thomson

James Smith

Paul Mayland

ALBA RESOURCES LIMITED

Directors' Report (continued)

Statement of Directors' Responsibilities
The directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 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 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.

Disclosure of Information to Auditors
The directors of the Company who held office as at the date of this report confirm that, as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware. In making this confirmation, the directors have taken appropriate steps to make themselves aware of the relevant audit information and that the Company's auditors are aware of this information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be presented at the annual general meeting.

By Order of the Board

Duncan Wood

Duncan Wood
Secretary
50 Lothian Road
Edinburgh EH3 9BY
23 June 2016

Independent auditors' report to the members of Alba Resources Limited

Report on the financial statements

Our opinion

In our opinion, Alba Resources Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the income statement and statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilites set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Bruce Collins

Bruce Collins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
25 June 2016

ALBA RESOURCES LIMITED
Income Statement
For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Revenue		-	26
Cost of sales		-	(17)
Gross profit		-	9
Administrative expenses		-	355
Operating profit		-	364
Exchange gain		**1,319**	2,446
Profit before taxation		**1,319**	2,810
Taxation	3	-	-
Profit for the year		**1,319**	2,810

Statement of Comprehensive Income
For the year ended 31 December 2015

	2015 £000	2014 £000
Profit for the year	**1,319**	2,810
Total comprehensive income for the year	**1,319**	2,810

ALBA RESOURCES LIMITED
Balance Sheet
As at 31 December 2015

	Note	2015 £000	2014 £000
Current assets			
Other receivables	4	**98,387**	99,590
Cash and cash equivalents		**129**	14
		98,516	99,604
Total assets		**98,516**	99,604
Current liabilities			
Other payables	5	**-**	2,500
Non-current liabilities			
Provisions	6	**1,797**	1,704
Total liabilities		**1,797**	4,204
Net assets		**96,719**	95,400
Equity			
Called-up share capital	7	**197**	197
Share premium		**2,908**	2,908
Retained earnings		**93,614**	92,295
Total equity		**96,719**	95,400

The financial statements on pages 6 to 16 were approved by the Board of Directors on 23 June 2016 and signed on its behalf by:

James Smith
Director

Company Registered No: SC210359

ALBA RESOURCES LIMITED
Statement of Cash Flows
For the year ended 31 December 2015

	2015 £000	2014 £000
Cash flows used in operating activities		
Profit before taxation	**1,319**	2,810
Exchange gain	**(1,319)**	(2,446)
Other receivables movement	**-**	22
Other payables movement	**-**	(1,324)
Net cash used in operating activities	**-**	(938)
Cash flows from investing activities		
Net cash from investing activities	**-**	-
Cash flows from financing activities		
Group funding	**115**	(45,837)
Net cash flows from/(used in) financing activities	**115**	(45,837)
Net increase/(decrease) in cash and cash equivalents	**115**	(46,775)
Opening cash and cash equivalents at beginning of year	**14**	43,899
Exchange differences	**-**	2,890
Closing cash and cash equivalents	**129**	14

ALBA RESOURCES LIMITED

Statement of Changes in Equity

For the year ended 31 December 2015

	Called-up Share Capital £000	Share Premium £000	Retained Earnings £000	**Total Equity £000**
At 31 December 2013	197	2,908	89,485	92,590
Profit for the year	-	-	2,810	2,810
Total comprehensive income for the period	-	-	2,810	2,810
At 31 December 2014	197	2,908	92,295	95,400
Profit for the year	-	-	1,319	**1,319**
Total comprehensive income for the year	-	-	1,319	**1,319**
At 31 December 2015	**197**	**2,908**	**93,614**	**96,719**

1 Significant Accounting Policies

a) Basis of preparation

The financial statements of Alba Resources Limited ("the Company") for the year ended 31 December 2015 were authorised for issue in accordance with a resolution of the directors on 23 June 2016. The Company is a limited company incorporated in Scotland and domiciled in the United Kingdom. The registered office is located at 50 Lothian Road, Edinburgh, Scotland.

The Company prepares its financial statements on a historical cost basis, applied consistently throughout the period. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy. The Company's financial statements comply with the Companies Act 2006. The accounting policies adopted during the period are consistent with those adopted by the ultimate parent company, Cairn Energy PLC.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are presented in the financial statements and supporting notes. In addition, note 8 to the financial statements includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposures to credit risk and liquidity risk.

The Company has sufficient financial resources with which the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

b) Going concern

The directors have considered the factors relevant to support a statement of going concern. They have a reasonable expectation that the Company will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements.

c) Accounting standards

Alba Resources Limited prepares its financial statements in accordance with applicable International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") as adopted by the EU, and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") and Companies Act 2006 applicable to companies reporting under IFRS. The Group's financial statements are also consistent with IFRS as issued by the International Accounting Standards Board ("IASB") as they apply to accounting periods ended 31 December 2015.

Effective 1 January 2015, the Company has adopted the following standards:

- Annual improvements to IFRSs 2011-2013 Cycle

The adoption of these amendments will have no material impact on the Company's results or financial statement disclosures.

The following amendments to standards issued by the IASB and endorsed by the EU have yet to be adopted by the Company:

- Annual improvements to IFRSs 2010-2012 Cycle (effective 1 February 2015)
- Amendments to IFRS11: Accounting for Acquisitions of Interests in Joint Operations (effective 1 January 2016)
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (effective 1 January 2016)
- Annual improvements to IFRSs 2012-2014 Cycle (effective 1 January 2016)
- Amendments to IAS 1: Disclosure Initiative (effective 1 January 2016)
- Amendments to IAS 27: Equity Method in Separate Financial Statements (effective 1 January 2016)
- Amendments to IAS 7: Statement of Cash Flows (effective 1 January 2017)

The adoption of these amendments will have no material impact on the Company's results or financial statement disclosures. There are no other standards or amendments issued by the IASB and endorsed by the EU that will impact the Company.

1 Significant Accounting Policies (continued)

d) *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are categorised as financial assets held at fair value through profit or loss and loans and receivables. The Company holds financial assets which are classified as loans and receivables, with the exception of derivative financial instruments which are held at fair value through profit or loss.

Financial liabilities generally substantiate claims for repayment in cash or another financial asset. Financial liabilities are categorised as either fair value through profit or loss or held at amortised cost. All of the Company's financial liabilities are held at amortised cost, with the exception of derivative financial instruments which are held at fair value through profit or loss.

Financial instruments are generally recognised as soon as the Company becomes party to the contractual regulations of the financial instrument.

Other receivables

Other receivables (classified as loans and receivables under IAS 39) that have fixed or determinable payments that are not quoted on an active market are initially measured at fair value and then subsequently at amortised cost using the effective interest method less any impairment.

Receivables that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting period, are included in current assets.

The carrying amounts of other receivables are tested at each reporting date to determine whether there is objective material evidence of impairment, for example overdue debt. Any impairment losses are recognised through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Income Statement or Balance Sheet in accordance with where the original receivable was recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less.

Other non derivative financial liabilities

Other creditors are non-interest bearing and are measured at fair value initially then amortised cost subsequently.

e) Equity

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs, allocated between share capital and share premium.

f) Taxation

The total tax charge or credit represents the sum of current tax and deferred tax.

The current tax credit is based on the taxable profit for the year. Taxable profit or loss differs from net profit or loss 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. In Norway, tax refunds may be claimed on exploration activities and related overhead costs; the tax refundable is included as a tax credit in the period in which the qualifying expenditure is incurred.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences that exist only where it is probable that taxable profits will be generated against which the carrying value of the deferred tax asset can be recovered.

Deferred tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint operations where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

1 Significant Accounting Policies (continued)

f) Taxation (continued)

A deferred tax asset or liability is not recognised if a temporary difference arises on initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Current and deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

g) Significant accounting judgements, estimates and assumptions

Key estimations and assumptions

The Company has used estimates and assumptions in arriving at certain figures within the financial statements. The resulting accounting estimates may not equate with the actual results which will only be known in time. Those areas believed to be key areas of estimation are noted below, with further details of the assumptions contained in the relevant note.

Share-based payments

Charges for share-based payments are based on the fair value at the date of the award. The shares are valued using appropriate modelling techniques and inputs to the models include assumptions on leaver rates, trigger points, discount rates and volatility.

2 Operating Profit

Auditors' remuneration

The Company's auditors' remuneration of £2,833 (2014: £2,750) has been borne by the intermediate holding company Capricorn Energy Limited. Auditors' remuneration for other services is disclosed in the financial statements of Cairn Energy PLC, the ultimate parent undertaking.

The Company has a policy in place for the award of non-audit work to the auditors which, in certain circumstances, requires approval by the Audit Committee of Cairn Energy PLC, the ultimate parent undertaking. No such costs were incurred by the Company during the year (2014: £nil).

Employees

This company has no employees (2014: none).

3 Taxation

A reconciliation of the income tax expense applicable to the profit before income tax at the UK statutory rate, to income tax expense at the Company's effective income tax rate, is as follows:

	2015 £000	2014 £000
Profit before taxation	**1,319**	2,810
Tax at the standard rate of UK corporation tax of 20.25% (2014: 21.5%)	**267**	604
Effects of:		
Non-taxable expenses and non-taxable income	-	(73)
Tax losses claimed from other Group companies	**(267)**	(527)
Temporary differences not recognised	-	(4)
Total tax charge	-	-

Factors that may affect future corporation tax charges

The UK main rate of corporation tax was 21% prior to 1 April 2015, and 20% from that date onwards. The reduction in the tax rate from 21% to 20% has resulted in an average rate of corporation tax of 20.25% for the year ended 31 December 2015, as shown above.

4 Other Receivables

	2015 £000	2014 £000
Other receivables	**1,797**	1,704
Amounts owed by Group companies	**96,590**	97,886
	98,387	99,590

Other receivables represents an amount recoverable from Dyas B.V. The Company has a related provision for an equal and opposite amount payable to Hess for £1.8m on first oil from the Mariner field. This is due to commence in 2018.

As at 31 December 2015, amounts owed by Group companies of £1.0m was current and due 30-60 days; £0.9m was current and due 90-120 days, £94.3m was current and due >120 days; and £0.4m was current. As at 31 December 2014, amounts owed by Group companies of £2.4m was current and due 30-60 days; £51.8m was current and due >120 days; and £43.7m was current. There were no Group allowances for doubtful debts made in 2015 and 2014. In determining the recoverability of other receivables, the Group carries out a risk analysis based on the type and age of the outstanding receivable.

5 Other Payables

	2015 £000	2014 £000
Amounts owed to Group companies	**-**	2,500
	-	2,500

6 Provisions

	Other provisions £000
At 31 December 2013	1,564
Unwinding of discount	38
Foreign exchange	102
At 31 December 2014	1,704
Change in estimate	**(42)**
Unwinding of discount	**39**
Foreign exchange	**96**
At 31 December 2015	**1,797**

The provision of £1.8m is due to Hess when the Mariner field starts to produce first oil. This was previously due to commence in 2017. During the year the commencement of production was delayed from 2017 to 2018. The outstanding balance is due after 1 year.

7 Called-up Share Capital

	Number £1 Ordinary 000	£1 Ordinary £000
Allotted, issued and fully paid ordinary shares		
At 31 December 2015 and 2014	**197**	**197**

Share premium

Share premium is stated in the statement of changes in equity.

8 Financial Risk Management: Objectives and Policies

The main risks arising from the Company's financial instruments are liquidity risk, credit risk, interest rate risk and foreign currency risk. The Board of the Company's ultimate parent company, Cairn Energy PLC through the Treasury Sub-Committee, reviews and agrees policies for managing each of these risks and these are summarised below.

The Group's treasury function, at Cairn Energy PLC, and Executive Team as appropriate are responsible for managing these risks, in accordance with the policies set by the Board. Management of these risks is carried out by monitoring of cash flows, investment and funding requirements using a variety of techniques. These potential exposures are managed whilst ensuring that the Company and the Group have adequate liquidity at all times in order to meet their immediate cash requirements. There are no significant concentrations of risks unless otherwise stated. The Company does not enter into or trade financial instruments, including derivatives, for speculative purposes.

The primary financial assets and liabilities of the Company comprise cash, short and medium-term deposits, intra-group loans and other receivables and financial liabilities held at amortised cost. The Company strategy is to finance its operations through a mixture of retained profits and group borrowings. Other alternatives such as equity issues and other forms of non investment-grade debt finance are reviewed by the Cairn Energy PLC Board, when appropriate.

Liquidity risk
The Cairn Energy PLC Group closely monitors and manages its liquidity risk using both short and long-term cash flow projections, supplemented by debt financing plans and active portfolio management. Cash forecasts are regularly produced and sensitivities run for different scenarios including, but not limited to, changes in and delays of development projects. The forecasts show that the Group will be able to operate within its current debt facilities and have significant financial headroom for the 12 months from the date of approval of these Financial Statements.

Foreign currency risk
The Company manages exposures that arise from non-functional currency receipts and payments by matching receipts and payments in the same currency and actively managing the residual net position. Where residual net exposures do exist and they are considered significant the Company, may from time to time opt to use derivative financial instruments to minimise the exposure to fluctuations in foreign exchange and interest rates.

Credit risk
Credit risk arises from cash and cash equivalents and other receivables.

At the year end the Company does not have any significant concentrations of bad debt risk.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

8 Financial Risk Management: Objectives and Policies (continued)

Capital Management
The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Group's treasury function monitors the long-term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages the capital structure and makes adjustments to it in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may issue shares for cash, repay debt, put in place new debt facilities or other such restructuring activities as appropriate. No significant changes were made in the objectives, policies or processes during the year ended 31 December 2015.

The Company's capital and net debt were made up as follows:

	2015 £000	2014 £000
Other payables	-	2,500
Less cash and cash equivalent	(129)	(14)
Net (funds)/debt	(129)	2,486
Equity	96,719	95,400
Capital and net debt	96,590	97,886
Gearing ratio	0%	2.54%

9 Financial Instruments

The Company calculates the fair value of assets and liabilities by reference to amounts considered to be receivable or payable on the Balance Sheet date. The Company's financial assets and liabilities, together with their fair values are as follows:

Financial assets	Carrying amount		Fair value	
	31 December 2015 £000	31 December 2014 £000	31 December 2015 £000	31 December 2014 £000
Cash and cash equivalents	129	14	129	14
Other receivables	1,797	1,704	1,797	1,704
Amounts owed by Group companies	96,590	97,886	96,590	97,886
	98,516	99,604	98,516	99,604

All of the above financial assets are unimpaired.

Financial liabilities	Carrying amount		Fair value	
	31 December 2015 £000	31 December 2014 £000	31 December 2015 £000	31 December 2014 £000
Amounts owed to Group companies	-	2,500	-	2,500
Provision	1,797	1,704	1,797	1,704
	1,797	4,204	1,797	4,204

The fair value of financial assets and liabilities has been calculated by discounting the expected future cash flows at prevailing interest rates.

Maturity analysis
All of the Company financial liabilities have a maturity of less than one year.

10 Related Party Transactions

The following table provides the balance which is outstanding with the parent company at the Balance Sheet date:

	31 December 2015 £	31 December 2014 £
Amounts owed by Group companies	**96,590**	97,886
Amounts owed to Group companies	-	(2,500)

The amounts outstanding are unsecured, repayable on demand and will be settled in cash. Interest, where charged, is at market rates. No guarantees have been given.

Remuneration of key management personnel and directors
The directors of the Company are also directors of other companies in the Cairn Energy PLC group. The directors received remuneration for the year of £2.2m (2014: £3.3m) and pension contributions of £0.2m (2014: £0.2m) all of which was paid by other companies in the group. The directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors of Cairn Energy PLC and fellow subsidiary companies. There are no agreements between the Company and the Board of Directors.

11 Ultimate Parent Company

The Company is a wholly-owned subsidiary of Alba Resources (Holdings) Limited. The Company's ultimate parent company is Cairn Energy PLC, registered in Scotland, whose principal place of business is at 50 Lothian Road, Edinburgh, EH3 9BY.

Copies of Cairn Energy PLC's financial statements are available to the public and may be obtained from the above mentioned address.