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OS AA01

Statement of details of parent law and other information for an overseas company



Companies House



A5IF1FDU

A14 26/10/2016 #205

COMPANIES HOUSE

A5GWWT96

A07 04/10/2016 #196

COMPANIES HOUSE

☒ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law

☒ **What this form is NOT for**
You cannot use this form to
an alteration of manner of
with accounting requirements

WEDNESDAY

Part 1 Corporate company name

Corporate name of
overseas company ①

TULLOW SENEGAL LIMITED

UK establishment
number

B R 0179113

→ **Filling in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

Isle of Man Company Law

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

INTERNATIONAL FINANCING REPORTING
STANDARDS

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5

☒ Yes Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company

A4

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box

☐ **No** Go to **Part 3 'Signature'**

☒ **Yes** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**

❶ Please insert the name of the appropriate accounting organisation or body

Name of organisation or body ❶

DELOITTE LLP

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box

☐ **No**

☐ **Yes**

Part 3

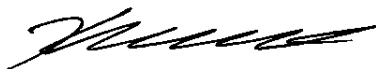
Signature

I am signing this form on behalf of the overseas company

Signature

Signature

X



X

This form may be signed by
Director, Secretary, Permanent representative

OS AA01

Statement of details of parent law and other information for an overseas company

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **KEVIN MASSIE**Company name **TULLOW OIL PLC**Address **9 CHISWICK PARK****566 CHISWICK HIGH ROAD**Post town **CHISWICK**County/Region **LONDON**Postcode **W4 5XT**

Country

DX

Telephone

**Checklist**

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☒ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☒ You have completed all sections of the form, if appropriate
- ☒ You have signed the form

**Important information**

Please note that all this information will appear on the public record

**Where to send**

You may return this form to any Companies House address

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

~~2/1/16~~

Company Registration No. 010510V
Isle of Man

Tullow Senegal Limited

Report and Audited Non-Statutory

Financial Statements

For the year ended 31 December 2015

1

Tullow Senegal Limited

Report and non-statutory financial statements 2015

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Tulow Senegal Limited

Officers and professional advisers

Directors

I Springett
P McDade
K Massie
R Miller
R Rowland-Clark

Registered office

Fort Anne
Douglas
IMI 5PD
Isle of Man

Solicitors

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

Bankers

Royal Bank of Scotland Group
250 Bishopsgate
London EC2M 4AA

Auditor

Deloitte LLP
Chartered Accountants
2 New Street Square
London EC4A 3BZ

Tullow Senegal Limited

Strategic report

The directors of Tullow Senegal Limited (the "company") present their strategic report for the year ended 31 December 2015

Principal activity and review of business

The company's principal activity during the year under review is the ongoing evaluation of opportunities in Senegal. During the 2015 year 1,252,022 shares were issued at par. No significant change in the nature of the activities has occurred during the year. The company does not expect to change its principal activity in the 2016 financial year.

Results and dividends

The company made a loss of US\$154,000 (2014: US\$857,000) for the year ended 31 December 2015.

No dividends have been paid during the year (2014: US\$nil).

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. The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risks

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 liquid funds is limited because the counterparties are banks with high credit-ratings.

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 is able to actively source financing from its shareholder.

The company does not perform any research and development activities. The company does not employ any personnel and does not expect to do so in the near future.

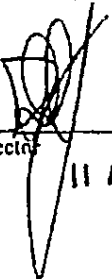
Tullow Senegal Limited

Strategic report (continued)

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 company employs exploration specialists who analyse seismic and other relevant data to identify hydrocarbon reserves.

Approved by the board of directors and signed on its behalf by



Director

RICHARD MILLER
DIRECTOR

11 August 2016

Tullow Senegal Limited

Directors' report

The directors of Tullow Senegal Limited (the "company") present their annual report on the affairs of the company, together with the non-statutory financial statements and auditor's report for the year ended 31 December 2015

Directors, secretaries and their interests

The directors, who held office at the date of this report, are listed on page 1. The changes to the company's directors during the year were as follows:

- Resignation of P Sloan on 30 April 2015
- Resignation of N Shepherd (as alternate director) on 30 April 2015.
- Resignation of J Tedder on 29 May 2015
- Resignation of R Miller (as alternate director) on 29 May 2015
- Resignation of W Torr (as alternate director) on 29 June 2015
- Appointment of R Miller on 15 October 2015.
- Appointment of R Rowland-Clark on 15 October 2015
- Resignation of K Massie (as alternate director) on 15 October 2015
- Appointment of K Massie on 15 October 2015
- Resignation of A Martin on 11 January 2016

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 has been re-registered as a New Manx Vehicle (NMV) and therefore does not require a secretary.

Going concern

The principal activity of the company is the ongoing evaluation of opportunities in Senegal. The company does not expect to change its principal activity in the 2016 financial year.

The company made a loss of US\$154,000 (2014: US\$857,000) for the year ended 31 December 2015. As at 31 December 2015, the company had a net asset position of US\$80,000 (2014: net liabilities position of US\$1,018,000).

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

In making their assessment of going concern the directors have considered the letter of support from Tullow Oil plc. The directors, having assessed the responses of the directors of Tullow Oil plc to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Tullow Oil plc to continue as a going concern or its ability to honour its commitments in accordance with the letter of support.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Tullow Oil plc, the directors have reasonable expectation that 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.

Tulow Senegal Limited

Directors' report (continued)

Events subsequent to the financial year end

There has not been any 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

Directors' indemnity

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

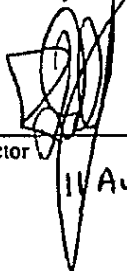
Charitable and political donations

The company did not make any charitable or political contributions during the year (2014 US\$nil)

Auditor

Deloitte LLP, being eligible, has indicated its willingness to continue in office

Approved by the board of directors and signed on its behalf by:



Director

RICHARD MILLS
DIRECTOR

11 August 2016

Tullow Senegal Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the non-statutory financial statements in accordance with applicable law and regulations

Isle of Man Company law requires the directors to prepare the non-statutory financial statements for each financial year. Under that law the directors have elected to prepare the non-statutory financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union "EU". Under company law the directors must not approve the non-statutory 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 non-statutory financial statements, International Accounting Standard 1 requires that directors

- Properly select and apply accounting policies,
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- Make an assessment of the company's ability to continue as a going concern

The directors are responsible for keeping reliable accounting records which disclose with reasonable accuracy at any time the financial position of the company in accordance with the Isle of Man Companies Act 2006. They are also responsible for the systems of internal control, 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 (www.tullowoil.com)

Independent auditor's report to the directors of Tullow Senegal Limited

We have audited the non-statutory financial statements of Tullow Senegal Limited for the year ended 31 December 2015 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

This report is made solely for the exclusive use of the directors and solely for the purpose of showing the results of management's stewardship of the power entrusted to it. Our report is not to be used for any other purpose, relied on or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

Respective responsibilities of directors and auditor

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. 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements and is 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. 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 may be 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 audit report.

Opinion on financial statements

In our opinion 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 loss for the year then ended, and
- have been properly prepared in accordance with IFRS as adopted by the EU
- have been properly prepared in accordance with the provisions of the Isle of Man Companies Act 2006 as if these were statutory financial statements



Deloitte LLP
Chartered Accountants
London, United Kingdom

11 August

2016

Tullow Senegal Limited

Statement of comprehensive income For the year ended 31 December 2015

	Notes	2015 US\$'000	2014 US\$'000
Exploration costs written off	7	-	(645)
Administrative costs	5	(154)	(211)
		<hr/>	<hr/>
Operating loss		(154)	(856)
Foreign exchange losses		-	(1)
		<hr/>	<hr/>
Loss for the year before taxation		(154)	(857)
Taxation	6	-	-
		<hr/>	<hr/>
Loss for the year after taxation		(154)	(857)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		<hr/> (154) <hr/>	<hr/> (857) <hr/>

All transactions in the current period are derived from continuing operations

The notes to the financial statements on pages 12 - 23 form an integral part of these financial statements

Tulow Senegal Limited

Statement of financial position At 31 December 2015

	Notes	2015 US\$'000	2014 US\$'000
Assets			
Non-current assets			
Intangible exploration and evaluation assets	7	-	-
		<hr/>	<hr/>
		-	-
		<hr/>	<hr/>
Current assets			
Related party loans receivable	8	4	195
Other receivables	9	20	3
Cash and cash equivalents	10	780	450
		<hr/>	<hr/>
		804	648
		<hr/>	<hr/>
Total assets		<hr/>	<hr/>
		804	648
		<hr/>	<hr/>
Liabilities			
Current liabilities			
Other payables	11	1	159
Related party loan payable	12	723	1,507
		<hr/>	<hr/>
		724	1,666
		<hr/>	<hr/>
Total liabilities		<hr/>	<hr/>
		724	1,666
		<hr/>	<hr/>
Net assets / (liabilities)		<hr/>	<hr/>
		80	(1,018)
		<hr/>	<hr/>
Equity			
Share capital	13	-	-
Share premium	13	17,958	16,706
Accumulated loss		(17,878)	(17,724)
		<hr/>	<hr/>
Total equity		<hr/>	<hr/>
		80	(1,018)
		<hr/>	<hr/>

The notes to the financial statements on pages 12 - 23 form an integral part of these financial statements. The financial statements, on pages 8 - 23 of the company, Tulow Senegal Limited (company no: 010510V), were approved and authorised for issue by the board of directors on 2016

Signed on behalf of the board of directors on 11 August 2016 by

Director

RICHARD MILLER
DIRECTOR.

11/08/2016

Tullow Senegal Limited

Statement of changes in equity For the year ended 31 December 2015

	Share capital US\$'000	Share premium US\$'000	Accumulated loss US\$'000	Total US\$'000
Balance at 31 December 2013	-	16,706	(16,867)	(161)
Total comprehensive loss for the year	-	-	(857)	(857)
Balance at 31 December 2014	-	16,706	(17,724)	(1,018)
Issue of shares	-	1,252	-	1,252
Total comprehensive loss for the year	-	-	(154)	(154)
Balance at 31 December 2015	-	17,958	(17,878)	80

The notes to the financial statements on pages 12 - 23 form an integral part of these financial statements

Tullow Senegal Limited

Statement of cash flows For the year ended 31 December 2015

	Notes	2015 US\$'000	2014 US\$'000
Cash flows from operating activities			
Cash (utilised in) / generated from operations	14	(329)	637
Net cash (outflow) / inflow from operating activities		(329)	637
Cash flows from investing activities			
Acquisition of intangible exploration and evaluation assets	7	-	(645)
Net cash outflow from investing activities		-	(645)
Cash flows from financing activities			
Proceeds from share issue		1,252	-
Movement in related party loans		(593)	20
Net cash inflow from financing activities		659	20
Net increase in cash and cash equivalents		330	12
Cash and cash equivalents at beginning of the year		450	438
Cash and cash equivalents at end of the year	10	780	450

The notes to the financial statements on pages 12 - 23 form an integral part of these financial statements

Tullow Senegal Limited

Notes to the non-statutory financial statements For the year ended 31 December 2015

1. General information

Tullow Senegal Limited is a company incorporated and domiciled in the Isle of Man. The address of the registered office is given on page 1.

2. Adoption of new and revised standards

Standards not affecting the reported results or the financial position

New and revised Standards and Interpretations adopted in the current year did not have any significant impact on the amounts reported in these financial statements.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU)

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
IFRS 9	Financial Instruments
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IAS 1	Disclosure Initiative
IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 19	Employee Benefits - Discount rate - regional market issue
IAS 27	Equity Method in Separate Financial Statements
IAS 34	Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of IFRS 9 Financial Instruments which the company plans to adopt for the year commencing 1 January 2018 will impact both the measurement and disclosures of financial instruments.

The directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the company in future periods.

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

3. Accounting policies

Changes in accounting policy

Other than the changes to the Standards noted in note 2, the company's accounting policies are consistent with the prior year

Basis of accounting

The non-statutory financial statements have been prepared in accordance with IFRS as adopted by the European Union and therefore the company's financial statements comply with Article 4 of the EU IAS Regulation. The non-statutory financial statements have also been prepared in accordance with Isle of Man Law.

The non-statutory financial statements have been prepared on the historical cost basis. The non-statutory financial statements are presented in US dollars and all values are rounded to the nearest US dollar thousand, except where otherwise stated.

The non-statutory financial statements have been prepared on a going concern basis (see note 4 for further details).

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

Foreign currencies

The US dollar is the presentation and 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.

Exploration, evaluation and production assets

The company adopts the successful efforts method of accounting for exploration and evaluation costs. Pre-licence costs are expensed in the period in which they are incurred. All licence acquisition, exploration and evaluation costs and directly attributable administration costs are initially capitalised in cost centres by well, field or exploration area, as appropriate. Interest payable is capitalised insofar as it relates to specific development activities.

These costs are then written off as exploration costs in the statement of comprehensive income unless commercial reserves have been established or the determination process has not been completed and there are no indications of impairment.

All field development costs are capitalised as property, plant and equipment. Property, plant and equipment related to production activities is amortised in accordance with the company's depletion and amortisation accounting policy.

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

3. Accounting policies (continued)

Exploration, evaluation and production assets (continued)

Cash consideration received on farm-down of exploration and evaluation assets is credited against the carrying value of the asset

Depletion and amortisation – discovery fields

All expenditure carried within each field is amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of commercial reserves at the end of the period plus the production in the period, generally on a field-by-field basis or by a group of fields which are reliant on common infrastructure. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future field development costs required to recover the commercial reserves remaining. Changes in the estimates of commercial reserves or future field development costs are dealt with prospectively.

Where there has been a change in economic conditions that indicates a possible impairment in a discovery field, the recoverability of the net book value relating to that field is assessed by comparison with the estimated discounted future cash flows based on management's expectations of future oil and gas prices and future costs. Where there is evidence of economic interdependency between fields, such as common infrastructure, the fields are grouped as a single cash-generating unit for impairment purposes.

Any impairment identified is charged to the statement of comprehensive income as additional depletion and amortisation. Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the statement of comprehensive income, net of any amortisation that would have been charged since the impairment.

Finance costs and debt

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Finance costs of debt are allocated to periods over the term of the related debt at a constant rate on the carrying amount. Arrangement fees and issue costs are deducted from the debt proceeds on initial recognition of the liability and are amortised and charged to the statement of comprehensive income as finance costs over the term of the debt.

Share issue expenses and share premium account

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

Taxation

Current and deferred 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 Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

3. Accounting policies (continued)

Taxation (continued)

In order to account for uncertain tax positions management has formed an accounting policy, in accordance with IAS 8, whereby the ultimate outcome of legal proceedings is viewed as a single unit of account. The results of separate hearings in relation to the same matter, such as local tribunals and international arbitration, are not viewed separately and only the final outcome is assessed by management to determine the best estimate of any potential outcome. If management viewed the results of individual hearings separately a statement of comprehensive income charge could arise due to the differing recognition criteria of assets and liabilities.

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), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. The company chooses not to disclose the effective interest rate for debt instruments that are classified as at fair value through profit or loss.

Financial liabilities and equity instruments

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

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

3. Accounting policies (continued)

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

4. 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:

- Carrying value of intangible exploration and evaluation assets (note 7),

The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written off to the statement of comprehensive income as exploration costs unless commercial reserves are established or the determination process is not completed and there are no indications of impairment in accordance with the company's accounting policy. The process of determining whether there is an indicator for impairment or calculating the impairment requires critical judgement.

The key areas in which management have applied judgement are as follows: the company's intention to proceed with a future work programme for a prospect or licence, the likelihood of licence renewal or extension, and the success of a well result or geological or geophysical survey.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

- Presumption of going concern (Directors' Report),

The principal activity of the company is the ongoing evaluation of opportunities in Senegal. The company does not expect to change its principal activity in the 2016 financial year.

The company made a loss of US\$154,000 (2014: US\$857,000) for the year ended 31 December 2015. As at 31 December 2015, the company had a net asset position of US\$80,000 (2014: net liabilities position of US\$1,018,000).

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

A dividend amount to US\$nil was paid during the current year (2014: \$USnil).

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

4. Critical accounting judgements (continued)

Key sources of estimation uncertainty (continued)

- Presumption of going concern (Directors' Report) (continued),

In making their assessment of going concern the directors have considered the letter of support from Tullow Oil plc. The directors, having assessed the responses of the directors of Tullow Oil plc to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Tullow Oil plc to continue as a going concern or its ability to honour its commitments in accordance with the letter of support.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Tullow Oil plc, the directors have reasonable expectation that 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.

5. Administrative costs

The current year fee for the audit of the company's financial statements of US\$12,931 (2014: US\$35,195) was borne by another group company.

6. Taxation

The company's profits are subject to income tax in the Isle of Man at the corporate rate of 0%. As such, no provision for Isle of Man tax is required in these financial statements.

No tax is payable to the tax authorities where the company's operations are based, because the operations are in the exploration phase, hence no income has been generated as yet, which would be taxable. No deferred tax has been provided due to the uncertainty of generating future taxable benefits at this stage.

7. Intangible exploration and evaluation assets

	2015 US\$'000	2014 US\$'000
Cost		
At 1 January	-	-
Additions	-	645
Exploration costs written off	-	(645)
	<hr/>	<hr/>
	-	-
Net book value	<hr/>	<hr/>
At 31 December	-	-
	<hr/>	<hr/>

The amounts for intangible exploration and appraisal assets represent active exploration projects. These amounts will be written off to the statement of comprehensive income as exploration costs unless commercial reserves are established or the determination process is not completed and there are no indications of impairment. The outcome of ongoing exploration, and therefore whether the carrying value of exploration and appraisal assets will ultimately be recovered, is inherently uncertain.

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

8. Related party loans receivable

	2015 US\$'000	2014 US\$'000 (re-presented)
Tullow Overseas Holdings B.V.	4	4
Tullow Senegal Limited - loan with Senegal St Louis Joint Venture ⁽¹⁾	-	191
	<u>4</u>	<u>195</u>

The above loans are unsecured, have no fixed repayment terms and no interest is applicable. The balances will be settled via a transfer of funds

(1) The re-presented 2014 amount is due to a typographical error, being US\$191,000

9. Other receivables

	2015 US\$'000	2014 US\$'000
Other receivables	19	3
Amounts due from joint venture partners	1	-
	<u>20</u>	<u>3</u>

The directors consider that the carrying amount of other receivables is approximately equal to their fair values

10. Cash and cash equivalents

	2015 US\$'000	2014 US\$'000
Royal Bank of Scotland - Pound Sterling bank account	5	5
Royal Bank of Scotland - US Dollar bank account	775	445
	<u>780</u>	<u>450</u>

11. Other payables

	2015 US\$'000	2014 US\$'000
Accruals	1	11
Amounts due to joint venture partners	-	148
	<u>1</u>	<u>159</u>

The directors consider that the carrying amount of other payables is approximately equal to their fair values

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

12. Related party loan payable

	2015 US\$'000	2014 US\$'000
Tullow Oil 100 Limited	723	645
Tullow Oil Finance Limited	-	862
	<u>723</u>	<u>1,507</u>

The above loan is unsecured, has no fixed repayment terms and no interest is applicable. The balance will be settled via transfer of funds.

13. Share capital

	2015 US\$'000	2014 US\$'000
Issued		
2 (2014: 1) ordinary share of US\$1 each	-	-
	<u>17,958</u>	<u>16,706</u>

During the 2015 year, 1 share was issued for a consideration of US\$1,252,022.

14. Cash (utilised in) / generated from operations

	2015 US\$'000	2014 US\$'000
Loss for the year before taxation	(154)	(857)
Exploration costs written off	-	645
	<u>(154)</u>	<u>(212)</u>
Operating cash flow before working capital movements	(154)	(212)
(Increase) / decrease in other receivables	(17)	690
(Decrease) / increase in other payables	(158)	159
	<u>(329)</u>	<u>637</u>

15. Directors' emoluments and employees

None of the directors received any remuneration for their services to the company during the year (2014: US\$nil).

The average number of employees during the year was nil (2014: nil).

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

16. Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments at the end of the year (2014 US\$nil)

17. Immediate and ultimate holding company

Tullow Overseas Holdings B V, a company incorporated in the Netherlands, is the immediate holding company of Tullow Senegal Limited

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

18. Related parties

The company, in the ordinary course of business, entered into transactions with certain related parties

The following balances were outstanding at the end of the year:

	2015 US\$'000	2014 US\$'000 (re-presented)
Related party loans receivable		
Tullow Overseas Holdings B V	4	4
Tullow Senegal Limited - loan with Senegal St Louis Joint Venture ⁽¹⁾	-	191
	<u>4</u>	<u>195</u>
 (1) The re-presented 2014 amount is due to a typographical error		
Related party loan payables		
Tullow Oil 100 Limited	(723)	(645)
Tullow Oil Finance Limited	-	(862)
	<u>(723)</u>	<u>(1,507)</u>
Amount due from / (to) related parties		
Amount due from / (to) joint venture partners	<u>1</u>	<u>(148)</u>

The carrying values of the above mentioned loans approximate their fair values

The following transactions were entered into during the year:

	2015 US\$'000	2014 US\$'000
Tullow Senegal Limited - loan with Senegal St Louis Joint Venture	191	(252)
Tullow Oil 100 Limited	78	(12)
Tullow Oil Finance Limited	(862)	221
	<u>(593)</u>	<u>(43)</u>

Tulow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

19. Financial instruments

Capital risk management

The capital structure of the company consists of debt, which includes the related party loans disclosed in note 12, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued share capital, share premium and retained earnings as disclosed in the statement of changes in equity

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements

Categories of financial instruments

	2015 US\$'000	2014 US\$'000 (re-presented)
<i>Financial assets</i>		
Loans and receivables (including cash and cash equivalents) ⁽¹⁾	804	648
(1) The re-presented 2014 amount is due to a typographical error		
<i>Financial liabilities</i>		
Loans and payables	724	1,666

Financial risk management objectives

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

Market risk

The company is not exposed to market risks at present, but may be exposed to market risks in future

Currency risk management

The company undertakes certain transactions denominated in foreign currencies. The company holds a Pound Sterling bank account – refer to note 10. Hence, exposures to exchange rate fluctuations arise. The company does not have any forward exchange contracts

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 liquid funds is limited because the counterparties are banks with high credit-ratings

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 is able to actively source financing from its shareholder

Tulow Senegal Limited

Notes to the non-statutory financial statements (continued)

For the year ended 31 December 2015

19. Financial instruments (continued)

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. The analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If the interest rates had been 100 basis points higher/lower and all other variables were held constant, the company's loss for the year ended 31 December 2015 would decrease/increase by US\$7,800 (2014 US\$4,508). This is attributable to the company's exposure to interest rates on its variable rate deposits.

Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial assets and liabilities.

	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 years US\$'000	Total US\$'000
2015					
Assets					
Related party loans receivable	Interest free	4	-	-	4
Other receivables	Interest free	20	-	-	20
Cash and cash equivalents	Daily bank rate	780	-	-	780
		<u>804</u>	<u>-</u>	<u>-</u>	<u>804</u>
2015					
Liabilities					
Other payables	Interest free	1	-	-	1
Related party loan payable	Interest free	723	-	-	723
		<u>724</u>	<u>-</u>	<u>-</u>	<u>724</u>
2014					
(re-presented)					
Assets					
Related party loans receivable ⁽¹⁾	Interest free	195	-	-	195
Other receivables	Interest free	3	-	-	3
Cash and cash equivalents	Daily bank rate	450	-	-	450
		<u>648</u>	<u>-</u>	<u>-</u>	<u>648</u>

(1) The re-presented 2014 amount is due to a typographical error.

Tullow Senegal Limited

Notes to the non-statutory financial statements (continued) For the year ended 31 December 2015

19. Financial instruments (continued)

Liquidity and interest risk tables (continued)

2014	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 years US\$'000	Total US\$'000
Liabilities					
Other payables	Interest free	159	-	-	159
Related party loans payable	Interest free	1,507	-	-	1,507
		<u>1,666</u>	<u>-</u>	<u>-</u>	<u>1,666</u>

20. Events subsequent to the financial year end

There has not been any 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

Tullow Senegal Limited

c/o 9 Chiswick Park, 556 Chiswick High Road, London, W4 5XT
Tel +44 (0) 203 249 9000 Fax +44 (0)203 249 8801



Deloitte LLP
2 New Street Square
London, EC4A 3BZ
11 August 2016

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Tullow Senegal Limited for the year ended 31st December 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of Tullow Senegal Limited as of 31st December and of the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with the applicable accounting framework and the Isle of Man Companies Act 2006.

We are aware that under Section 501 of the Isle of Man Companies Act 2006, it is an offence to mislead a company auditor.

We confirm, to the best of our knowledge and belief, the following representations

Financial statements

- 1 We understand and have fulfilled our responsibilities for the preparation of the financial statements in accordance with the applicable financial reporting framework and the Isle of Man Companies Act 2006 which give a true and fair view, as set out in the terms of the audit engagement letter.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable
- 3 All receivables are considered to be recoverable and have been recognised at their respective fair values
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 "Related party disclosures"
5. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.
6. We are not aware of any misstatements and disclosure deficiencies that are material either individually or in aggregate, to the financial statements as a whole
7. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to liquidate the company or cease trading as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern. We confirm a letter has been provided in respect of the aforementioned entity from Tullow Oil Plc, the ultimate parent. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.



We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.
Yours faithfully

Signed on behalf of the Board of Directors

A handwritten signature in black ink, appearing to be "Richard Miller", written over a rectangular box.

Richard Miller
11 August 2016.