

**AMOCO (U.K.) EXPLORATION COMPANY, LLC**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

SF000790.  
031021/20.

		2013	2012
	Note	\$000	\$000
<b>Turnover</b>		81,289	176,422
<b>Cost of sales</b>		(35,847)	(95,332)
<b>Gross profit</b>		45,442	81,090
<b>Administration expenses</b>		(343)	278
		45,099	81,368
<b>Other operating income</b>	2	-	2,083
<b>Operating profit</b>	1	45,099	83,451
<b>Profit on disposal of fixed assets</b>	3	4,797	135,248
<b>Amounts provided against fixed assets</b>	3	(7,844)	-
<b>Profit on ordinary activities before interest and tax</b>		42,052	218,699
<b>Income from shares in group undertakings</b>	4	-	100,078
<b>Interest payable and similar charges</b>	5	(2,438)	(2,927)
<b>Interest receivable and similar income</b>	6	256	393
<b>Profit before taxation</b>		39,870	316,243
<b>Taxation</b>		(17,126)	(148,132)
<b>Profit for the year</b>		22,744	168,111

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

There are no recognised gains or losses attributable to the shareholders of the company other than the profit for the year

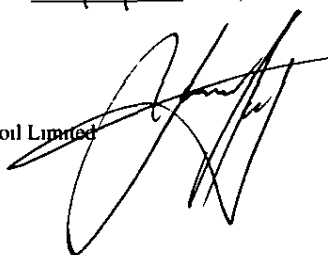


**AMOCO (U.K.) EXPLORATION COMPANY, LLC**  
Registered No. SF000790  
**BALANCE SHEET AS AT 31 DECEMBER 2013**

		2013	2012
	Note	\$000	Restated \$000
<b>Fixed assets</b>			
Tangible assets	7	144,548	157,272
Investments	8	4,398	4,398
		148,946	161,670
<b>Current assets</b>			
Stocks	9	147	99
Debtors amounts falling due within one year	10	539,457	453,701
Debtors amounts falling due after more than one year	10	5,126	539,295
Cash at bank and in hand		-	75
		544,730	993,170
<b>Creditors: amounts falling due within one year</b>	11	(74,863)	(126,651)
<b>Net current assets</b>		469,867	866,519
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		618,813	1,028,189
<b>Provisions for liabilities and charges</b>			
Deferred tax		(55,919)	(46,762)
Other provisions	12	(71,469)	(92,746)
<b>NET ASSETS</b>		491,425	888,681
<b>Represented by</b>			
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Additional paid-in capital	13	1	1
Profit and loss account	13	491,424	888,680
<b>SHAREHOLDERS' FUNDS - EQUITY INTERESTS</b>		491,425	888,681

The financial statements of Amoco (U K ) Exploration Company, LLC were approved for issue by its sole shareholder, Britoil Limited, on 22/08/14 2014 (where the company is member managed) and were signed on its behalf by

J W Halliday  
Director of Britoil Limited



**AMOCO (U K ) EXPLORATION COMPANY, LLC**

**NOTES TO THE ACCOUNTS**

**1 Operating profit**

This is stated after charging / (crediting)

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Hire charges under operating leases		
- Plant & machinery	-	1
- Land & buildings	1	1
Exchange (gain) / loss / (credited) / charged to the profit and loss account	(5,672)	1,787
Expenditure on research	268	324
Depreciation of owned fixed assets	<u>12,949</u>	<u>58,445</u>

**2 Other operating income**

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Miscellaneous income	<u>-</u>	<u>2,083</u>

The above income consists of residual transactions relating to the sale of various assets which were disposed of some years ago

**3 Exceptional items**

Exceptional items comprise the loss on disposal of fixed assets, as follows

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Profit on disposal of fixed assets	4,797	135,248
Amounts provided against fixed assets	<u>(7,844)</u>	<u>-</u>
	<u>(3,047)</u>	<u>135,248</u>

2012 profit on disposal of fixed assets relates to the disposal of the company's interest in the Southern Gas Assets Apollo, Minerva, Neptune, Whittle and Wollaston

The 2013 profit is residual income from the unwinding of the remaining working capital balances of the above divested assets

**4 Income from shares in group undertakings**

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Dividend income	<u>-</u>	<u>100,078</u>

In 2013 the company received no dividend income In 2012 Amoco (Fiddich) Limited, a subsidiary of Amoco (UK) Exploration Company, LLC, paid an interim dividend of \$100 million during the year The remaining \$78,000 is the final distribution following the liquidation of Buckeye Exploration Limited, a subsidiary of Amoco (UK) Exploration Company, LLC

**5 Interest payable and similar charges**

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Interest expense on.		
Loans from group undertakings	15	2,278
Other interest	<u>2,264</u>	<u>83</u>
	2,279	2,361
Unwinding of discount on provisions	159	566
Total charged against profit	<u>2,438</u>	<u>2,927</u>

**6 Interest receivable and similar income**

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Interest income from group undertakings	227	340
Other interest	<u>29</u>	<u>53</u>
Total interest receivable	<u>256</u>	<u>393</u>

**AMOCO (U.K.) EXPLORATION COMPANY, LLC**

**NOTES TO THE ACCOUNTS**

**7 Tangible Assets**

	<b>Oil &amp; gas properties</b>
	<b>\$000</b>
<b>Cost</b>	
At 1 January 2013	840,862
Additions	8,069
Disposals	-
At 31 December 2013	<u>848,931</u>
<b>Depreciation</b>	
At 1 January 2013	683,590
Disposals	-
Impairment	7,844
Charge for the year	12,949
At 31 December 2013	<u>704,383</u>
<b>Net book value</b>	
At 31 December 2013	<u>144,548</u>
At 31 December 2012	<u>157,272</u>

Capitalised interest included above

	<b>Cost</b>	<b>Depreciation</b>	<b>Net book amount</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
At 31 December 2013	<u>48,552</u>	<u>43,113</u>	<u>5,439</u>
At 31 December 2012	<u>48,552</u>	<u>42,725</u>	<u>5,827</u>

**8 Investments**

	<b>Subsidiary Shares</b>
	<b>\$000</b>
<b>Cost</b>	
At 1 January 2013 and 31 December 2013	<u>4,398</u>
<b>Amounts provided</b>	
At 1 January 2013 and 31 December 2013	<u>-</u>
<b>Net book amount</b>	
At 31 December 2013	<u>4,398</u>
At 31 December 2012	<u>4,398</u>

The investment in the subsidiary undertaking is unlisted

<b>Subsidiary undertakings</b>	<b>Class of shares held</b>	<b>%</b>	<b>Country of incorporation</b>	<b>Principal activity</b>
Amoco (Fiddich) Limited	Ordinary	100	England and Wales	Exploration & Production
Amoco UK Petroleum Limited	Ordinary	100	England and Wales	Exploration & Production

**AMOCO (U.K.) EXPLORATION COMPANY, LLC**

**NOTES TO THE ACCOUNTS**

**9 Stocks**

	<u>2013</u>	<u>2012</u>
	\$000	\$000
Raw materials and consumables	<u>147</u>	<u>99</u>

The difference between the carrying value of stocks and their replacement cost is not material

**10 Debtors**

	<u>2013</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>
	Within	After	Within	After
	1 year	1 year	1 year	1 year
	\$000	\$000	\$000	\$000
Trade debtors	11,464	-	7,903	-
Amounts owed by group undertakings	498,190	-	411,516	531,330
Other debtors	29,796	-	33,151	-
Prepayments and accrued income	7	-	1,131	-
Corporation tax	-	-	-	-
Petroleum revenue tax	-	5,126	-	7,965
<b>Total debtors</b>	<u>539,457</u>	<u>5,126</u>	<u>453,701</u>	<u>539,295</u>

**11 Creditors**

	<u>2013</u>	<u>2012</u>
	Within	Within
	1 year	1 year
	\$000	\$000
Trade creditors	31,964	22,122
Amounts owed to group undertakings	294	1,251
Other creditors	1,740	9,435
Corporation tax	7,196	59,875
Petroleum revenue tax	2,786	1,930
Accruals and deferred income	30,801	32,038
Bank overdraft	82	-
<b>Total creditors</b>	<u>74,863</u>	<u>126,651</u>

**AMOCO (U K ) EXPLORATION COMPANY, LLC**

**NOTES TO THE ACCOUNTS**

**12 Provisions**

	Decommiss -ioning \$000	Petroleum revenue tax \$000	Total \$000
At 1 January 2013	61,355	31,391	92,746
Charge for the year	-	(5,185)	(5,185)
Unwinding of discount	159	-	159
Change in decommissioning estimate	5,315	-	5,315
Deletions	-	-	-
Utilised during the year	(21,566)	-	(21,566)
At 31 December 2013	<u>45,263</u>	<u>26,206</u>	<u>71,469</u>
<b>At 31 December 2013</b>			
Current	17,821	-	17,821
Non-current	<u>27,442</u>	<u>26,206</u>	<u>53,648</u>
	<u>45,263</u>	<u>26,206</u>	<u>71,469</u>

The company makes full provision for the future cost of decommissioning oil and natural gas production facilities and related pipelines on a discounted basis on the installation of those facilities. At 31 December 2013, the provision for the costs of decommissioning these production facilities and pipelines at the end of their economic lives was \$45 million (2012 \$61 million). The provision has been estimated using existing technology, at current prices and discounted using a real discount rate of 1% (2012 0.5%). These costs are expected to be incurred over the next 20 years. While the provision is based on the best estimate of future costs and the economic lives of the facilities and pipelines, there is uncertainty regarding both the amount and timing of incurring these costs.

**13 Capital and Reserves**

	Equity share capital \$000	Additional paid-in capital \$000	Profit & loss account \$000	Total \$000
At 1 January 2013 (restated)	-	1	888,680	888,681
Profit for the year	-	-	22,744	22,744
Dividends - current year interim paid	-	-	(420,000)	(420,000)
At 31 December 2013	<u>-</u>	<u>1</u>	<u>491,424</u>	<u>491,425</u>

Upon conversion to an LLC the existing share capital was replaced by 100 \$1 ordinary shares.

In 2013 the company has paid interim ordinary dividends for \$420 million. The dividend per share was \$21 million (2012 dividend per share \$5 million).

**14 Reconciliation of movements in shareholders' funds**

	2013 \$000	2012 Restated \$000
Profit/(loss) for the year	22,744	168,111
Dividends - current year interim paid	(420,000)	(100,000)
Net increase/ (decrease) in shareholders' interests	<u>(397,256)</u>	<u>68,111</u>
Shareholders' interest at 1 January	888,681	820,570
Shareholders' interest at 31 December	<u>491,425</u>	<u>888,681</u>