

**PREMIER OIL VENTURES LIMITED**

**Report and Unaudited Financial Statements**

**31 December 2008**

WEDNESDAY



A22 \*ANZ5PE37\* 401  
14/10/2009  
COMPANIES HOUSE

**REPORT AND UNAUDITED FINANCIAL STATEMENTS 2008**

**CONTENTS**

	<b>Page</b>
OFFICERS	1
DIRECTORS' REPORT	2
BALANCE SHEET	3
NOTES TO THE FINANCIAL STATEMENTS	4

---

**REPORT AND UNAUDITED FINANCIAL STATEMENTS 2008**

**OFFICERS**

**Directors**

A R C Durrant  
S C Lockett

**Secretary**

H D Garratt

**Registered Office**

23 Lower Belgrave Street  
London  
SW1W 0NR  
England

# Premier Oil Ventures Limited

---

## DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the unaudited financial statements, for the year ended 31 December 2008.

### BUSINESS REVIEW

The company has been dormant as defined in section 249AA of the Companies Act 1985 throughout the year and preceding financial period. It is anticipated that the company will remain dormant for the foreseeable future. Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the company. There are no risks or uncertainties facing the company including those within the context of the use of financial statements.

### DIRECTORS

The directors who served throughout the year were as follows:

A R C Durrant  
S C Lockett

### GOING CONCERN

The company is part of the Premier Oil plc group and would expect to have financial support available to it from its parent and other group companies if required. The group monitors its capital position and its liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements. Sensitivities are run to reflect latest expectations of expenditures, forecast oil prices and other factors to manage the risk of funds shortfalls or covenant breaches in order to ensure the group's ability to continue as a going concern. The group's current credit facilities were renegotiated in 2009 to comprise a US\$325 million three-year revolving credit facility, a US\$305 million term loan and US\$63 million and £60 million three-year letter of credit facilities. Further details of the group funding facilities and liquidity position are included in the group's annual report which does not form part of this report.

After making enquiries and in light of the above, together with the company's results, financial position and the medium-term plans, the directors have reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. The going concern basis for these financial statements has therefore continued to be adopted.

### DIRECTORS' INDEMNITIES

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Approved by the Board and signed on its behalf by:



A R C Durrant  
DIRECTOR

7 October 2009

# Premier Oil Ventures Limited

## BALANCE SHEET

As at 31 December 2008

	<i>Note</i>	<i>2008 US\$000</i>	<i>2007 US\$000</i>
<b>CREDITORS: amounts falling due after one year</b>	5	(4,048)	(4,048)
<b>NET LIABILITIES</b>		<u>(4,048)</u>	<u>(4,048)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	6,144	6,144
Share premium account	7	288	288
Profit and loss account	7	(10,480)	(10,480)
<b>SHAREHOLDERS' DEFICIT</b>		<u>(4,048)</u>	<u>(4,048)</u>

The company did not trade during the current or preceding year and has made neither profit nor loss, nor any other recognised gain or loss.

The annual financial statements have not been audited because the company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these financial statements in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

These financial statements on pages 3 to 6 were approved and authorised for issue by the Board of Directors on 7 October 2009 and signed on its behalf by:



A R C Durrant  
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2008

**1. ACCOUNTING POLICIES**

***Accounting convention***

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The financial statements have been prepared on the going concern basis. Further information relating to the going concern assumption is provided in the Directors' Report.

The principal accounting policies are noted below which have been applied consistently in both current and preceding years.

***Foreign currencies***

The reporting currency of the company is United States dollars.

All transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as of the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rate, subsequent to the dates of the transactions, is included as an exchange gain or loss in the profit and loss account.

***Related party transactions***

The directors have taken advantage of the exemption in paragraph 3(c) of Financial Reporting Standard (FRS) 8 - 'Related Party Disclosures' from disclosing details of transactions with its ultimate parent, immediate parent and fellow subsidiary undertakings.

***Cash flow statement***

The directors have taken advantage of the exemption in paragraph 5(a) of FRS 1 (revised) 1996 from producing a cash flow statement.

***Taxation***

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

***Deferred taxation***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. The exception to this is that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2. PROFIT AND LOSS ACCOUNT**

No profit and loss account is presented with these financial statements because the company has not received income, incurred expenditure or recognised any gains or losses during either the year under review or the preceding financial year.

# Premier Oil Ventures Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2008

### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees during the current and preceding year.

Directors' remuneration was borne by the ultimate parent company in both the current and preceding years.

### 4. TAXATION

There was no tax charge in the current year (2007: US\$nil).

### 5. CREDITORS: amounts falling due after one year

	2008 US\$000	2007 US\$000
Amounts owed to the immediate parent company	4,048	4,048

Amounts owed to the immediate parent company comprise a loan denominated in US dollars and falling due for repayment in 2012. No interest is payable on this loan.

### 6. CALLED UP SHARE CAPITAL

	2008 US\$000	2007 US\$000
Authorised: 4,000,000 Ordinary Shares of £1 each	7,680	7,680
Allotted, called up and fully paid: 3,200,000 Ordinary Shares of £1 each	6,144	6,144

The share capital was translated from sterling to US dollars at the rate of exchange prevailing on 1 January 2005, being the date of change of the functional currency from sterling to US dollar.

## Premier Oil Ventures Limited

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2008

#### 7. RECONCILIATION OF SHAREHOLDERS' DEFICIT AND MOVEMENT ON RESERVES

	<i>Share capital US\$000</i>	<i>Share premium account US\$000</i>	<i>Profit and loss account US\$000</i>	<i>Total share- holders' deficit US\$000</i>
At 1 January and 31 December 2008	6,144	288	(10,480)	(4,048)

There were no changes in the shareholders' funds in either the current or preceding years.

#### 8. ULTIMATE PARENT COMPANY

The company's immediate parent company is Premier Oil Holdings Limited. The company's ultimate parent company and controlling party is Premier Oil plc, a company incorporated in Great Britain and registered in Scotland. Premier Oil plc is the parent undertaking of the largest and the smallest group of which the company is a member and for which group financial statements are prepared. Copies of the group financial statements are available from Premier Oil plc, 23 Lower Belgrave Street, London, SW1W 0NR.