

Total Gas & Power Chartering Limited

Annual report and financial statements

For the year ended 31 December 2017



Registered No. 06710451

Total Gas & Power Chartering Limited

Directors and advisors

Directors

J. Besse
J-Y. Chantreau
L. Gillet
P. Lautard
J-P. Mateille
C. Arson

Secretary

R. Giovannone

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

HSBC Bank plc
133 Regent Street
London
WC2R 2PS

Registered Office

13th Floor
10 Upper Bank Street
Canary Wharf
London
E14 5BF

Total Gas & Power Chartering Limited

Strategic report

Registered No. 06710451

Review of the business

The principal activity of the company is to arrange for the transportation by ship of sulphur, petcoke and liquified natural gas (LNG). The company arranges for the carriage of such products by contracting with ship owners or disponent owners.

On 12 April 2013, the company entered into two 20 year time charter agreements for the use of large LNG carriers with Milestone LNG Transport SA and Great Shale LNG Transport SA, two shipping companies jointly owned by SK Shipping Co and Marubeni Corporation. The first vessel was delivered on 28 July 2017 and the second one on 8 January 2018.

The company has entered into several Time Charter Agreements with various ships owners.

On 11 July 2016 a time charter agreement was signed with Gas-twenty five Ltd for a period of 7 years which was due to be starting between 1st June 2018 and 1st December 2018. However on 11 January 2018 both parties have agreed that the company shall take early delivery of the vessel in March 2018.

On 1 September 2017 a time charter agreement was signed between the Company and Yemen LNG Company Limited whereby one Yemen LNG vessel (Marib Spirit) was sub chartered to the company from 12 October 2017 for a period of 4 months and was extended on 12 January 2018 for an additional 6 months.

On 19 and 28 December 2017, the Company signed two additional time charter agreements with respectively Cardiff LNG Alpha Owning LLC and Albus Shipping Limited for a period of 7 years. In addition two optional time charter parties have also been signed on those dated for a period of 7 years with Cardiff LNG Beta Owning LLC and Heliconia Maritime SA.

Key Performance Indicators

The Companies Act 2006 requires directors to disclose the company's Key Performance Indicators (KPIs). Total manages its KPIs at a segment and geographical level. As a result the directors have taken the decision not to disclose KPIs in individual subsidiary accounts. The Total Group KPIs are included within the accounts of the ultimate parent undertaking Total SA.

Principal risks and uncertainties

The principal risks and uncertainties of the company relate to the quality of the vessels which it contracts to use and the ongoing performance of its counterparties.

The charter agreements entered into by the company subject it to counterparty risks. The ability of our counterparties to perform their obligations under each contract will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions and charter rates. Should a counterparty fail to honour its obligations the company could sustain significant losses which could have a material adverse effect on the performance of the business.

The chartering of an ocean-going vessel carries inherent risks. These risks include the possibility of marine accident, piracy, environmental accidents and business interruptions caused by mechanical failure, human error, war, terrorism, political action in various countries, labour strikes, or adverse weather conditions. Any of these circumstances or events could impact the finances of the company. The involvement of a vessel chartered by the company in an incident may result in the company facing claims under applicable international environmental conventions, laws and regulations, notwithstanding that the ship owner and or vessel operator would in principle primarily be liable. The company seeks to conduct its activities in such a manner so that there is little or minimal risks.

Total Gas & Power Chartering Limited

Strategic report (continued)

Future developments

It is the intention of the directors that the above business of the company (excluding physical coal activity which ceased at end of 2016) will continue for the foreseeable future.

By order of the board,

A handwritten signature in black ink, appearing to be 'R. Giovannone', followed by a horizontal line.

R Giovannone
Secretary

16 May 2018

Total Gas & Power Chartering Limited

Directors' report

Registered No. 06710451

The directors present their annual report on the affairs of the company, together with the financial statements, for the year ended 31 December 2017.

Results and dividends

The loss after taxation amounted to (\$1,721,000) for the year ended 31 December 2017 (2016 – Profit of \$3,685,000). The directors do not propose a dividend in respect of the financial year (2016 – nil).

Going Concern

An intermediate parent company, Total Midstream Holdings UK Limited, has agreed to provide financial support for a minimum of a 12 month period from the date of signing these financial statements in order that the company can continue to meet its liabilities as they fall due. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The directors who served during the year and subsequently are listed on page 2:

J. Besse
J-Y. Chantreau
L. Gillet
P. Lautard
J-P. Mateille
C. Arson (Appointed 28 September 2017)
A. Larenaudie (Resigned 27 September 2017)

Events since the balance sheet date

A second LNG carrier was delivered on 8 January 2018 for which the company has signed a 20 year time charter agreement.

Disclosure of information to the auditors

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Re-appointment of auditors

The company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Ernst & Young LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of S485 of the Companies Act 2006.

Disabled employees and employee involvement

The company has no employees.

By order of the board,



R Giovannone
Secretary

16 May 2018

Total Gas & Power Chartering Limited

Directors' Responsibilities Statement

The directors are responsible for preparing the strategic report, 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the 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 and loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 proper 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 to 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.

Independent auditors' report

To the members of Total Gas & Power Chartering Limited

Opinion

We have audited the financial statements of Total Gas & Power Chartering Limited for the year ended 31 December 2017, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Shareholders' Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' report (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Ernst & Young LLP

Natalia Moolman (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

21 May 2018

Total Gas & Power Chartering Limited

Profit and Loss Account

for the year ended 31 December 2017

	<i>Notes</i>	<i>2017</i> \$'000	<i>2016</i> \$'000
Revenue	3	55,597	44,317
Cost of Sales		(49,241)	(39,059)
Gross profit		<u>6,356</u>	<u>5,258</u>
(Loss) / Profit on foreign currency transactions		(641)	484
Administrative expenses		(135)	(783)
Financial interests on lease	7	(8,032)	-
(Loss) / Profit before taxation		<u>(2,452)</u>	<u>4,959</u>
Tax income/(charge) on (loss)/profit	8	731	(1,274)
(Loss) / Profit for the year	16	<u>(1,721)</u>	<u>3,685</u>

The (loss) / profit of the current and previous year was derived in its entirety from continuing operations.

Statement of Comprehensive Income

for the year ended 31 December 2017

The company had no other recognised gains or losses in the current and previous year.

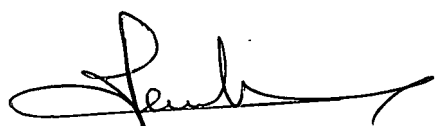
Total Gas & Power Chartering Limited

Balance Sheet

at 31 December 2017

	Notes	2017 \$'000	2016 \$'000
Non-current assets			
Tangible assets	9	182,307	-
Capital work in progress	10	1,835	-
Total non-current assets		184,142	-
Current assets			
Stock	11	3,050	-
Debtors	12	30,575	15,857
Total current assets		33,625	15,857
Total assets		217,767	15,857
Shareholders' equity			
Called up equity share capital	15	2,600	-
Retained earnings	16	4,951	6,672
Total Shareholders' equity		7,551	6,672
Non-current liabilities			
Finance lease liability	17	160,603	-
Deferred tax liability	8	1,820	-
Total non-current liabilities		162,423	-
Current liabilities			
Creditors	13	4,172	3,378
Finance lease liability – Current portion	17	20,904	-
Other current liabilities	14	22,717	5,807
Total current liabilities		47,793	9,185
Total liabilities and shareholders' equity		217,767	15,857

The financial statements were approved and authorised for issue by the board on 16 May 2018.



J-Y. Chantreau
Director

Total Gas & Power Chartering Limited

Statement of Changes in Shareholders' Equity for the year ended 31 December 2017

	Called up equity share capital (note 15) \$'000	Retained earnings (note 16) \$'000	Total \$'000
At 1 January 2016	-	2,987	2,987
Profit for the financial year	-	3,685	3,685
Total comprehensive income for the year	-	3,685	3,685
At 31 December 2016	<u>-</u>	<u>6,672</u>	<u>6,672</u>
At 1 January 2017	-	6,672	6,672
Share capital issue	2,600	-	2,600
(Loss) for the financial year	-	(1,721)	(1,721)
Total comprehensive loss for the year	-	(1,721)	(1,721)
At 31 December 2017	<u>2,600</u>	<u>4,951</u>	<u>7,551</u>

Total Gas & Power Chartering Limited

Notes to the financial statements

at 31 December 2017

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Total Gas & Power Chartering Limited (the “company”) for the year ended 31 December 2017 were authorised for issue by the board of the directors on 16 May 2018 and the balance sheet was signed on the board’s behalf by J-Y. Chantreau. Total Gas & Power Chartering Limited is incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standards 101 Reduced Disclosure Framework (FRS 101) including the July 2015 amendments and in accordance with applicable accounting standards.

The company’s financial statements are presented in US Dollar and all values are rounded to the nearest thousand dollar (\$’000) except when otherwise indicated.

The results of Total Gas & Power Chartering Limited are included in the consolidated financial statements of Total SA (note 20).

The company’s principal place of business is Total Gas & Power Chartering Limited, 10 Upper Bank Street, London, E14 5BF.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain financial instruments and in accordance with applicable accounting standards.

Where relevant equivalent disclosures have been made in the consolidated accounts of Total SA, the company has taken advantage of the following disclosures exemptions under FRS 101:

- (i) The requirements of paragraph 10(d), 10(f), 40(a), 111 and 134-136 of IAS 1 *Presentation of Financial Statements*
- (ii) The requirements of IAS 7 *Statement of Cash Flows*
- (iii) The requirements of paragraph 17 and 18(a) of IAS 24 *Related Party Disclosures*
- (iv) The requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- (v) The requirements of paragraphs 30 and 31 of IAS 8 *Accountings Policies, Changes in Accounting Estimates and Errors*
- (vi) The requirements of IFRS 7 *Financial Instruments, Disclosures*
- (vii) The requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement* for assets and liabilities other than financial instruments

All equivalent disclosures regarding the above exemptions are included in the consolidated financial statements of Total SA.

Total Gas & Power Chartering Limited

Notes to the financial statements (continued)

at 31 December 2017

2. Accounting policies (continued)

Going concern

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.

Revenue Recognition

Revenue represents sales made by the company in the normal course of business and is shown net of VAT.

Taxation

Corporation tax is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all temporary 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 receive more, tax. Deferred tax assets are recognised only to the extent that the directors consider that it is probable that taxable profit will be available against which the temporary differences, carried forward tax credits or tax losses can be utilised.

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

Stock

Stock represents fuel on board of vessel and is measured at the lower of cost and net realisable value.

Foreign currency

The company's financial statements are presented in US Dollar, which is also the company's functional currency.

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated on a straight-line basis over the lease term of the leased assets.

The residual values, useful lives and method of depreciation of a fixed asset are reviewed at each financial year.

Total Gas & Power Chartering Limited

Notes to the financial statements (continued)

at 31 December 2017

2. Accounting policies (continued)

Finance lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset (or those assets are) not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date of fair value of the leases property, or if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the statement of profit and loss on a straight-line basis over the lease term.

3. Revenue

Revenue comprises the amounts derived from the provision of goods and services which fall within the company's ordinary activities, and is stated net of VAT. All turnover arises from continuing activities and is attributable to the income from arranging transportation by ship of coal, petcoke and liquefied natural gas.

4. Auditors remuneration

Audit fees of \$19,000 (2016 - \$20,000) are borne by another group company, Total Gas & Power Limited, and disclosed in that company's financial statements. No non-audit services were provided by the auditors.

5. Employee costs

The company has no employees.

6. Directors remuneration

None of the directors received nor were due remuneration from the company for services performed in either 2017 or 2016.

Total Gas & Power Chartering Limited

Notes to the financial statements (continued) at 31 December 2017

7. Financial interests on lease

	2017 \$'000	2016 \$'000
Financial interest on lease	8,032	-
Total financial interest on lease	8,032	-

8. Taxation

	2017 \$'000	2016 \$'000
a) Tax charged in the profit and loss account		
<i>Current tax</i>		
UK Corporation tax (credit) / charge for the year	(2,520)	1,151
Adjustments to current tax in respect of prior years	(31)	123
Total current tax (credit) / charge	(2,551)	1,274
<i>Deferred tax</i>		
Origination and reversal of timing differences - current year	1,820	-
Total deferred tax	1,820	-
Tax (credit) / charge on (loss) / profit on ordinary activities	(731)	1,274

b) Factors affecting the tax (credit) / charge

The corporation tax (credit) / charge is lower than (2016: higher than) the average standard rate of corporation tax in the UK of 19.25% (2016: 20%). The current year difference is reconciled below.

	2017 \$'000	2016 \$'000
(Loss) / profit on ordinary activities before tax	(2,452)	4,959
Corporation tax (credit) / charge at 19.25% (2016: 20%)	(472)	992
Effects of:		
Depreciation / Expenses not deductible for tax purposes	13	159
Timing difference due to restatement of accounts	-	51
Impact of change in tax laws and rates	(241)	-
Adjustments to tax (credit)/charge in respect of previous periods	(31)	72
Total corporation tax (credit) / charge	(731)	1,274

Total Gas & Power Chartering Limited

Notes to the financial statements (continued) at 31 December 2017

8. Taxation (continued)

c) Factors that may affect future tax charges

As part of the Finance (No.2) Bill 2016, the government announced that the corporation tax rate will fall to 17% for financial year 2020. The bill was substantively enacted on 15 September 2016 and has been appropriately applied for purpose of recognition of deferred tax and incorporated into taxation note in the statutory account.

d) Deferred tax

i) The components of the deferred tax balances are as follows:

	2017 \$'000	2016 \$'000
<i>Deferred Tax</i>		
Financing lease	1,820	-
Net deferred tax liability	1,820	-

ii) Deferred taxes are presented on the balance sheets as follows:

	2017 \$'000	2016 \$'000
Deferred tax assets	-	-
Deferred tax liabilities	1,820	-
Net amount	1,820	-

iii) The net deferred tax variation in the balance sheet is analysed as follows:

	2017 \$'000	2016 \$'000
Opening balance	-	-
Deferred tax on Finance lease	1,820	-
Closing balance	1,820	-

9. Tangible fixed assets

		2017 \$'000	2016 \$'000
Cost	At 01 January	-	-
	Additions	186,309	-
	At 31 December	186,309	-
Depreciation	At 01 January	-	-
	Charge for the year	(4,002)	-
	At 31 December	(4,002)	-
Net book value	At 31 December	182,307	-
	At 01 January	-	-

Total Gas & Power Chartering Limited

Notes to the financial statements (continued)

at 31 December 2017

9. Tangible fixed assets (continued)

The tangible asset represents the LNG carrier which was acquired through finance lease and delivered on 27 July 2017.

A depreciation charge of \$4,002,000 has been accounted in the cost of sales in the Profit and Loss account in 2017 (2016 – nil).

10. Capital Work in progress

	2017	2016
	\$'000	\$'000
As at 1 st January	-	-
Additions	1,835	-
As at 31st December	1,835	-

The capitalised cost represents an initial lease acquisition cost of a second LNG carrier which was delivered on 8 January 2018.

11. Stock

	2017	2016
	\$'000	\$'000
Fuel on board	3,050	-
Total stock	3,050	-

12. Debtors

	2017	2016
	\$'000	\$'000
Amounts due from group companies	2,151	847
Other debtors	10	4
Corporation tax	2,811	-
VAT	-	16
Prepayments and accrued income	25,603	14,990
Total debtors	30,575	15,857

Total Gas & Power Chartering Limited

Notes to the financial statements (continued) at 31 December 2017

13. Creditors

	2017	2016
	\$'000	\$'000
Trade creditors	605	165
Amounts due to group companies	-	1
Accrued corporation tax	-	1,081
Accruals	3,567	2,131
Total creditors	4,172	3,378

14. Other current liabilities

	2017	2016
	\$'000	\$'000
Amounts due to group companies	22,717	5,807
Total other current liabilities	22,717	5,807

The company has an overdraft facility with another UK group subsidiary which is used to finance its current activities.

15. Equity share capital

	2017	2016
	\$'000	\$'000
Authorised, allotted, called up and fully paid 2,000,100 Ordinary shares of £1 each	2,600	-

On 1st December 2017, an intermediate parent company Total Midstream Holdings UK Limited acquired a further 2,000,000 newly issued shares in the Company.

16. Retained earnings

	2017	2016
	\$'000	\$'000
At 01 January	6,672	2,987
(Loss) / profit for the year	(1,721)	3,685
At 31 December	4,951	6,672

Total Gas & Power Chartering Limited

Notes to the financial statements (continued)

at 31 December 2017

17. Finance lease liability

The company has two 20 year time charter agreements for the use of large LNG carriers. The first vessel was delivered on 28 July 2017 and has been treated as finance lease.

The future minimum lease payments on non-cancellable finance lease to which the company is committed are shown as follows:

	2017 Finance lease \$'000
Less than one year	22,094
More than one but less than five years	66,342
More than five years	325,975
Total minimum payments	414,411
Less amounts representing finance charges	(232,904)
Present value of minimum lease payments	181,507

18. Off-balance sheet commitments and contractual obligations

2017	Total	Less than 1 year	Maturity and instalments	
			Between 1 and 5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000
Purchase obligations	700,089	48,871	281,653	369,565
Total contractual obligations not recorded in the balance sheet	700,089	48,871	281,653	369,565
Sales obligations	-	-	-	-
Total of commitments received	-	-	-	-

2016	Total	Less than 1 year	Maturity and instalments	
			Between 1 and 5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000
Purchase obligations	670,181	15,339	241,982	412,860
Total contractual obligations not recorded in the balance sheet	670,292	15,450	241,982	412,860
Sales obligations	3,274	3,274	-	-
Total of commitments received	3,274	3,274	-	-

Total Gas & Power Chartering Limited

Notes to the financial statements (continued)

at 31 December 2017

19. Related parties

During the year, the company paid, in the ordinary course of its business, amounts to the following related parties who are associated undertakings of fellow subsidiaries of Total SA.

		<i>Profit and Loss account</i>		<i>Debtor/ (Creditor) at end of year</i>	
		<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
		<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Yamal LNG	- Purchases	730	-	11	-
Yemen LNG	- Purchases	3,583	4,188	(315)	(242)
Nigeria LNG Limited	- Purchases	-	1,903	-	-
Total Gas & Power Business Services SAS	- Purchases	1,047	1,097	(130)	(1,097)

The company has taken advantage of the exemption in paragraph 8(k) of FRS 101 from disclosing transactions with wholly owned subsidiaries of the Total SA group.

20. Parent undertaking and controlling party

The immediate parent undertaking of this company is Total Midstream Holdings UK Limited, which is registered in England.

The company's ultimate parent undertaking is Total SA, a company registered in France. This is the largest and smallest group for which group financial statements are prepared. Copies of the financial statements of Total SA can be obtained from 2, Place Jean Millier, La Defense 6, 92400 Courbevoie, France.