

Halliburton Management Limited

**Directors' report and financial
statements**

Registered number SC232078

31 December 2016



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Directors' report

The directors present their Directors' report and financial statements for the year ended 31 December 2016.

Principal activity and business review

The company's principal activity is the employment of staff on behalf of certain fellow group undertakings.

Proposed dividend

The directors do not recommend the payment of a dividend (2015: Nil).

Directors

The directors who held office during the year and up to the date of this report were as follows:

S Clifton
M Betts
T K Mathew

Disclosure of information to auditor

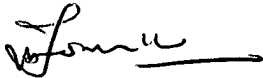
The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

In preparing this report, the directors have taken advantage of the Small Companies exemptions provided by Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

By order of the board



Thomas Mathew
Director

Halliburton House
Howe Moss Crescent
Kirkhill Industrial Estate
Dyce
Aberdeen
AB21 0GN

15 June 2017

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that year.

In preparing the 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of Halliburton Management Limited

We have audited the financial statements of Halliburton Management Limited for the year ended 31 December 2016 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

David Derbyshire (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
37 Albyn Place
Aberdeen
AB10 1JB
United Kingdom

21 JUNE 2017

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2016

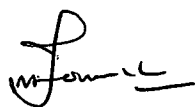
	<i>Note</i>	2016 £	2015 £
Result before taxation		-	-
Tax on result	5	191	(252)
Profit/(loss) for the financial year		<u>191</u>	<u>(252)</u>
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive profit/(loss) for the year		<u>191</u>	<u>(252)</u>

There were no recognised gains or losses other than the results for the financial years reported above.

Balance Sheet
at 31 December 2016

	<i>Note</i>	2016 £	2016 £	2015 £	2015 £
Current assets					
Debtors	6	8,208,228		10,140,662	
Creditors: amounts falling due within one year	7	(6,823,837)		(8,756,462)	
Net current assets			1,384,391		1,384,200
Net assets			1,384,391		1,384,200
Capital and reserves					
Called up share capital	8		93,667		93,667
Profit and loss account			1,290,724		1,290,533
Shareholders' funds			1,384,391		1,384,200

These financial statements were approved by the board of directors on 15/6/17 and were signed on its behalf by:



Thomas Mathew
Director

Company registered number: SC232078

Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total share-holders funds £
Balance at 1 January 2015	93,667	1,290,785	1,384,452
Total comprehensive loss for the year			
Loss	-	(252)	(252)
Total comprehensive loss for the year	-	(252)	(252)
Balance at 31 December 2015	93,667	1,290,533	1,384,200
Total comprehensive income for the year			
Profit	-	191	191
Total comprehensive income for the year	-	191	191
Balance at 31 December 2016	93,667	1,290,724	1,384,391

Notes

(forming part of the financial statements)

1 Accounting policies

Halliburton Management Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The Company's ultimate parent undertaking, Halliburton Company includes the Company in its consolidated financial statements. The consolidated financial statements of Halliburton Company include the equivalent disclosures and are available to the public and may be obtained from the address given in note 9. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Halliburton Company include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors have not made any significant judgements in the application of these accounting policies.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The Company has net assets and intercompany receivables due which are repayable on demand.

1.3 Related party transactions

The company has taken advantage of the exemption available under FRS 102 from disclosing transactions with its parent undertaking and other subsidiary undertakings where 100% of the voting rights are controlled within the group. The company has no transactions with related parties that are not 100% controlled within the group.

Notes (continued)

1 Accounting policies (continued)

1.4 Taxation

Tax on the profit or loss for the year comprises of current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2 Auditor's remuneration

Auditor's fees for the audit of these financial statements of £4,211 (2015: £4,391) are borne by a fellow group undertaking.

3 Remuneration of directors

The directors received no remuneration in relation to qualifying services provided to this company during the year (2015: Nil).

4 Staff numbers and costs

The staff costs incurred by the company during the year totalled £143,244,932 (2015: £206,076,764). All of these costs were recharged to the group undertakings for which the employees performed their services. Halliburton Management Limited acts substantially as an employing agent on behalf of group affiliates, itself bearing none of the risks or rewards of the provision of personnel services to the group, which are recharged at cost. Details of these staff costs, and the related staff numbers, are disclosed as appropriate in the financial statements of each individual group company.

5 Taxation

Total tax (credit)/expense recognised in the profit and loss account, other comprehensive income and equity

	2016 £	2016 £	2015 £	2015 £
<i>Group relief</i>				
Current tax on loss for the year	(178)		(238)	
Adjustments in respect of prior years	(13)		490	
Total current tax		(191)		252
Total tax		(191)		252

Analysis of current tax recognised in profit and loss

	2016 £	2015 £
UK corporation tax	(191)	252
Total current tax recognised in profit and loss	(191)	252

Notes (continued)

5 Taxation (continued)

Reconciliation of effective tax rate

Factors affecting the tax credit for the current year

The tax credit (2015: *expense*) is higher (2015: *higher*) than the composite rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit for the year	191	(252)
Total tax (credit)/charge	(191)	252
Profit excluding taxation	-	-
Tax using the UK corporation tax rate of 20% (2015: 20.25%)	-	-
Tax effects of UK to UK transfer pricing	(178)	(238)
Adjustment in respect of prior years	(13)	490
Total tax (credit)/charge included in profit or loss	(191)	252

Factors that may affect future tax charges

A reduction in the rate of corporation tax to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Group's future tax charge accordingly.

6 Debtors

	2016 £	2015 £
Amounts owed by group undertakings	8,014,728	9,807,563
Other debtors	-	22,007
Prepayments and accrued income	193,071	310,854
Group Relief receivable	429	238
	8,208,228	10,140,662

Amounts owed by group undertaking are repayable on demand.

Notes (continued)

7 Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	1,533,221	2,267,774
Other taxes and social security	5,265,221	6,426,445
Other creditors	25,395	62,243
	<hr/> 6,823,837	<hr/> 8,756,462
	<hr/>	<hr/>

Amounts owed to a group undertaking is non-interest bearing and is repayable on demand.

8 Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
9,366,707 ordinary shares of £0.01 each	93,667	93,667
	<hr/>	<hr/>
Shares classified in shareholders' funds	93,667	93,667
	<hr/>	<hr/>

9 Ultimate parent company and parent company of larger group

The company is a subsidiary undertaking of Halliburton Company incorporated in the United States of America which is its ultimate parent company and ultimate controlling party.

The largest group in which the results of the company are consolidated is that headed by Halliburton Company, 3000 North Sam Houston Parkway East, Houston, Texas, 77032. No other group financial statements include the results of the company.

The consolidated financial statements of Halliburton Company are available to the public and can be obtained from Investor Relations at www.halliburton.com

10 Subsequent events

Subsequent to the balance sheet date, there is no event which needs to be disclosed or required any adjustment.