

ABU DHABI PETROLEUM COMPANY LIMITED

319011

REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2012

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COMPANIES HOUSE

ABU DHABI PETROLEUM COMPANY LIMITED

Board of Directors

(as at date of Report of the Directors)

Executive Director

A J WHITEHEAD

Shareholders' Nominated Directors

J J BARRY  
A F P P BREUILLAC  
E C M GRILO  
J-L GUIZIOU  
A HOLTSLAG

M MAURITZEN  
A K AL MAZMI  
K P PEPPER  
GL WOOD

Alternate Directors

F A d S B ALVES  
J G AMEY  
A J COSTA SILVA  
S A JACKSON  
P A HUGHES

D LEMARCHAL  
P C A ROY  
J J SCHAAFF  
R S WILSON

Secretary

A J WHITEHEAD

Auditors

ERNST & YOUNG LLP  
1 MORE LONDON PLACE  
LONDON, SE1 2AF

Registered Office

BRETtenham HOUSE  
LANCASTER PLACE, LONDON, WC2E 7EE  
(Registered in England No 00319011)

Shareholders' Nominated Directors

# ABU DHABI PETROLEUM COMPANY LIMITED

## REPORT OF THE DIRECTORS

### FOR THE YEAR 2012

The directors present their report and accounts for the year ended 31 December, 2012

#### **Results and Dividends**

The operating profit on sales of oil for the year was \$1,993,000. After accounting for a currency translation loss during the year of \$52,000 and taxation of \$61,000, the accumulated Profit and Loss Account increased by \$1,880,000 to \$41,924,000 as at 31 December, 2012. Significant changes in fixed assets are set out on pages 17 and 18. The directors do not recommend the payment of a dividend for the year (2011 nil).

#### **Principal Activity and Review of the Business**

The Accounts reflect the Company's undivided participation interest of 40% in the crude oil produced and in the fixed assets in Abu Dhabi held jointly with the Abu Dhabi National Oil Company, the concession for which expires on January 10<sup>th</sup> after which the company will continue to fulfil its administrative responsibilities. Shipments of oil available to the Company by virtue of its 40% interest totalled 195.4 million barrels (533,965 b/d) during 2012, and are estimated to total 219.5 million barrels (585,313 b/d) during 2013.

#### **Risks**

##### **i) Drilling and Production Risk**

Exploration and production are subject to natural hazards and other uncertainties, including those relating to the physical characteristics of an oil field. The company may be required to curtail, delay or cancel drilling operations because of a variety of factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents and compliance with governmental requirements.

##### **ii) Major project delivery risk**

Delivery of major projects to increase production capacity are also subject to uncertainties related to timing and final costs.

##### **iii) Technical integrity risk**

There is a risk of loss of containment of hydrocarbons and other hazardous material at operating sites or during transportation.

#### **Key Performance Indicators**

	<b>2012</b>	<b>2011</b>
Turnover (\$M)	12,182	11,548
Capital Expenditure (\$M)	844	1,012

Higher turnover in 2012 compared to 2011 (+5%) is due mainly to higher volumes sold (+2%).

The capital expenditure in 2012 is due to continuing investment on projects to increase production capacity.

**ABU DHABI PETROLEUM COMPANY LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR 2012**

**Directors and their interests**

The present Directors of the Company are listed on page 2

The following served as Directors throughout 2012 Mr JJ Barry, Mr AFPP Breuillac, Mr J-L Guiziou, Mr SD Marsland, Mr AK Al Mazmi, Ms KP Pepper, Mr M Mauritzen and Mr A J Whitehead served as Executive Director

In addition, the following served as Alternate Directors throughout 2012 Mr FAdSB Alves, Dr AJ Costa Silva, Mr DA Perez, Mr PA Hughes, Mr PCA Roy and Mr JJ Schaaff

In addition, the following appointments and resignations have taken place -

		<u>Date of Appointment</u>	<u>Date of Resignation</u>
MW Shindy	Director		1 March 2012
GL Wood	Director	1 March 2012	
G E Schott	Alternate		26 March 2012
SA Jackson	Alternate	26 March 2012	
ER Vilar	Director		3 May 2012
ECM Grilo	Alternate		3 May 2012
ECM Grilo	Director	3 May 2012	
AJ Costa Silva	Alternate		3 May 2012
FAdSB Alves	Alternate		3 May 2012
AJ Costa Silva	Alternate	3 May 2012	
FAdSB Alves	Alternate	3 May 2012	
A Fawzi	Alternate		29 July 2012
JG Amey	Alternate	29 July 2012	31 January 2013
M de Mauro	Alternate		12 September 2012
D Lemarchal	Alternate	12 September 2012	
SD Marsland	Director		31 January 2013
A Holtslag	Director	31 January 2013	
JG Amey	Alternate	31 January 2013	
DA Perez	Alternate		5 June 2013
RS Wilson	Alternate	5 June 2013	

None of the Directors or former Directors has, or has had, an interest in the shares or options in the shares of the Company

ABU DHABI PETROLEUM COMPANY LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR 2012

**Auditors**

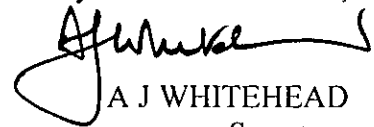
In the absence of a notice proposing that the appointment be terminated, Ernst & Young LLP will be deemed to be re-appointed as the company's auditors for the next year

**Directors' statement as to the disclosure of information to the auditors**

The directors who were members of the board at the time of approving the directors report are listed above. Having made inquiries of fellow directors and of the company's auditors, each of these directors confirms that

- To the best of each directors' knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware,
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information

By Order of the Board,



A J WHITEHEAD  
Secretary

03 September 2013

ABU DHABI PETROLEUM COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
IN RESPECT OF THE ACCOUNTS

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 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 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 the profit or loss for that period. In preparing these accounts, 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 United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 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.

The directors confirm that they have complied with these requirements and, having a reasonable expectation that the company has adequate resources to continue in operational existence to the end of the concession, continue to adopt the going concern basis in preparing the accounts.

## ABU DHABI PETROLEUM COMPANY LIMITED

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABU DHABI PETROLEUM COMPANY LIMITED**

We have audited the financial statements of Abu Dhabi Petroleum Company Ltd for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Statement of Cash Flows, and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set 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. 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). These standards require us to comply with the Auditing Practices Board's (APB'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 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 Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion of the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the affairs of the company as at 31 December 2012 and of the company's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been properly prepared in accordance with the Companies Act 2006

ABU DHABI PETROLEUM COMPANY LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABU DHABI  
PETROLEUM COMPANY LIMITED (CONT'D)**

**Opinion on the 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

**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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company 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.

*Ernst & Young LLP*

William Testa (Senior Statutory Auditor)  
**for and on behalf of Ernst & Young LLP,**  
Registered auditor  
London  
03 September 2013



ABU DHABI PETROLEUM COMPANY LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 \$000	2011 \$000
<b>Turnover</b>	2	12,182,291	11,548,019
Cost of sales		<u>(12,177,310)</u>	<u>(11,544,059)</u>
<b>Gross profit</b>		4,981	3,960
Administrative expenses		<u>(2,988)</u>	<u>(1,989)</u>
<b>Operating profit</b>	3	1,993	1,971
Interest receivable		0	0
Exchange loss		<u>(52)</u>	<u>(9)</u>
<b>Profit on ordinary activities before taxation</b>		1,941	1,962
Taxation on profit on ordinary activities	6	<u>(61)</u>	<u>(45)</u>
<b>Profit for the year</b>	15	<u>1,880</u>	<u>1,917</u>

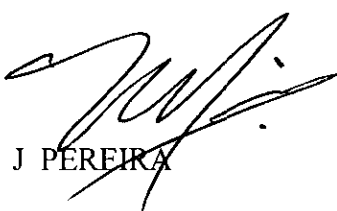
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2012

There are no recognised gains or losses other than the gain for the year of \$1,880,000  
(2011 gain of \$1,917,000)

ABU DHABI PETROLEUM COMPANY LIMITED

BALANCE SHEET  
AT 31 DECEMBER 2012

	Note	2012 \$000	2011 \$000
<b>Fixed assets</b>			
Intangible assets	7	9,523	17,700
Tangible assets	8	1,228,740	1,664,064
		<hr/>	<hr/>
		1,238,263	1,681,764
<b>Current assets</b>			
Crude oil stocks		14,124	13,198
Debtors	9	1,017,864	918,442
Cash at bank and in hand		2,361	1,581
		<hr/>	<hr/>
		1,034,349	933,221
<b>Creditors – amounts falling due within one year</b>	10	2,212,655	2,556,908
		<hr/>	<hr/>
<b>Net current liabilities</b>		(1,178,306)	(1,623,687)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<hr/> <hr/> 59,957	<hr/> <hr/> 58,077
<b>Capital and reserves</b>			
Called up share capital	11	18,033	18,033
Profit and loss account	15	41,924	40,044
		<hr/>	<hr/>
<b>Total shareholders' funds</b>		<hr/> <hr/> 59,957	<hr/> <hr/> 58,077



J PEREIRA

DIRECTOR

DATE · 03 SEPTEMBER 2013

ABU DHABI PETROLEUM COMPANY LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 \$000	2011 \$000
<b>Net cash inflow from operating activities</b>	12	<b>1,303,570</b>	<b>1,017,688</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		0	0
<b>Taxation</b>			
UK tax		(54)	(43)
<b>Capital expenditure and financial investment</b>			
Capital expenditure			
Exploration		(1,504)	(3,270)
Production and development		(851,233)	(895,446)
Sale of fixed assets		1	0
<b>Net cash outflow from capital expenditure and financial investment</b>		<b>(852,736)</b>	<b>(898,716)</b>
<b>Net cash outflow before financing</b>		<b>450,780</b>	<b>118,929</b>
<b>Financing</b>			
Shareholders advances	13	(450,000)	(120,000)
<b>(Decrease)/Increase in cash</b>		<b>780</b>	<b>(1,071)</b>

ABU DHABI PETROLEUM COMPANY LIMITED

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	<b>2012</b>	2011
	<b>\$000</b>	\$000
Increase/(Decrease) in cash	<b>780</b>	(1,071)
Change in net debt resulting from cash flows	<b>780</b>	(1,071)
Repaid shareholders advances	<b>450,000</b>	120,000
Movement in net debt	<b>450,780</b>	118,929
<b>Net debt at 1 January</b>	<b>(1,342,132)</b>	(1,461,061)
<b>Net debt at 31 December</b>	<b>(891,352)</b>	(1,342,132)

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# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012

### **1 Accounting policies**

(a) *Fundamental accounting concept*

The accounts have been prepared under the going concern concept, because the company's shareholders have agreed to provide such support as is necessary to enable the company to meet its financial obligations

(b) *Basis of Preparation*

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom under the historical cost convention and reflect an undivided participation interest of 40% in crude oil produced and in the fixed assets employed and operated in Abu Dhabi by the Abu Dhabi Company for Onshore Oil Operations (ADCO)

(c) *Intangible fixed assets*

Exploration survey and drilling costs, together with pre-production surveys and development, are classified as intangible fixed assets. Exploration surveys and wells determined to be unsuccessful are written off against income

(d) *Depreciation*

The sales value of crude oil is calculated so as to recover depreciation on the company's interest in fixed assets in Abu Dhabi at rates allowed for fiscal purposes by the Government of Abu Dhabi and not at rates based on the estimated useful lives of the assets. Accordingly, depreciation is charged so as to reduce the company's interest in fixed assets to the amount recoverable from future revenues as follows

Intangible and Tangible Fixed asset expenditure -

2001-2004	over 10 years
2005	Drilling over 9 years/other over 10 years
2006	Drilling over 8 years/other over 10 years
2008/9	over 5 years
2010	over 4 years
2011	over 3 years
2012	over 2 years

(Note Expenditure to 2000 and the year 2007 has been fully depreciated)

(e) *Currency translation*

Transactions in currencies other than US dollars are recorded at the rate ruling at the date of the transaction. Assets and liabilities in currencies other than US Dollars are translated into US Dollars at closing rates of exchange. All exchange gains and losses on settlement or translation at closing rates of exchange of monetary assets and liabilities are included in the determination of profit/loss for the year

(f) *Stocks*

Crude oil stocks have been valued at the lower of the average cost of production or net realisable value

# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012 (continued)

### **1 Accounting policies (continued)**

#### **(g) *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, with the following exception

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

#### **(h) *Royalties***

Royalties payable to the Government of Abu Dhabi are treated as a cost of sales and are based on exports of crude oil from Abu Dhabi in the year

### **2 Turnover**

Turnover comprises the invoice value of sales of crude oil in Abu Dhabi arising from one activity, the Company's participation interest of 40% in the crude oil produced and in the fixed assets in Abu Dhabi held jointly with the Abu Dhabi National Oil Company. Turnover by destination is not materially different from turnover by source

### **3 Operating profit**

This is arrived at after charging

	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>
Depreciation - intangible fixed assets	<b>9,667</b>	15,419
- tangible fixed assets	<b>1,278,537</b>	936,060

# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012 (continued)

### 4 Auditors' remuneration

The auditors' remuneration for audit and other services are as follows

	<b>2012</b>	2011
	<b>\$000</b>	\$000
Audit services - UK	<b>65</b>	55
- Abu Dhabi	<b>390</b>	396
	<b>455</b>	451
	<b>=====</b>	<b>=====</b>
Non-audit services	<b>106</b>	34
	<b>=====</b>	<b>=====</b>

### 5 Directors and Employees

- (a) The average number of employees during the year was 0 (2011: 1)  
 (b) Directors' emoluments comprises

	<b>2012</b>	2011
	<b>\$000</b>	\$000
<b>Amounts paid</b> for making the services of a director available	<b>321</b>	290
	<b>=====</b>	<b>=====</b>
	<b>321</b>	290
	<b>=====</b>	<b>=====</b>

#### (c) Staff Costs

	<b>2012</b>	2011
	<b>\$000</b>	\$000
Salaries and wages	<b>35</b>	0
Social security	<b>0</b>	0
	<b>=====</b>	<b>=====</b>
	<b>35</b>	4
	<b>=====</b>	<b>=====</b>

# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012 (continued)

### 6 Taxation

	2012	2011
	\$000	\$000
UK Corporation Tax		
UK Corporation tax on results of the period	61	45
Adjustment in respect of prior periods	-	-
	<hr/>	<hr/>
Total current tax	<hr/> <b>61</b> <hr/>	<hr/> <b>45</b> <hr/>

### Factors affecting the current tax charge for the period

The tax assessed for the period is different from the standard rate of corporation tax in the UK of 24.5%. The differences are explained below

	2012	2011
	\$000	\$000
Profit on ordinary activities before tax	1,941	1,962
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	475	520
Effect of		
Expense/income not chargeable to UK tax	(474)	(523)
Mark up on costs	56	41
Expenses not deductible for tax purposes	3	3
Other adjustments	1	4
Adjustments in respect of previous periods	0	0
	<hr/>	<hr/>
Current tax charge for the period	<hr/> <b>61</b> <hr/>	<hr/> <b>45</b> <hr/>

No deferred taxation has been recognised at the end of the year, due to the absence of timing differences (2011 Nil)

### Factors affecting future tax charges

On 21 March 2012, it was announced by the Chancellor that the corporation tax rate will be reduced to 24% from 1 April 2012. This reduction was substantively enacted on 26 March 2012. The Chancellor also announced that there are to be further corporation tax rate reductions of 1% each year to a final rate of 22% effective from 1 April 2014.

On 5th December 2012, it was announced by the Chancellor that in addition to the Budget announcements on 21 March 2012, the main corporation tax rate commencing April 2014 will be reduced by a further 1% to 21%.

On 20 March 2013, the UK Chancellor announced that the main rate of corporation tax will be reduced by a further 1% in April 2015 down to 20%. The future reduction has not been enacted at the balance sheet date.



**ABU DHABI PETROLEUM COMPANY LIMITED**

**Notes to the Accounts - 31 December 2012 (continued)**

**7 Intangible fixed assets**

	Pre-Production Survey and Development \$000	Exploration Surveys \$000	Exploration Drilling \$000	Total \$000
<b>Cost</b>				
At 1 January 2012	15,490	202,922	118,026	336,438
Additions	-	1,446	44	1,490
Deletions	-	-	31	31
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	15,490	204,368	118,101	337,959
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2012	15,490	192,525	110,723	318,738
Charge for year	-	6,757	2,910	9,667
Deletions	-	0	31	31
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	15,490	199,282	113,664	328,436
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book amount</b>				
At 1 January 2012	-	10,397	7,303	17,700
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	-	5,086	4,437	9,523
	<hr/>	<hr/>	<hr/>	<hr/>

ABU DHABI PETROLEUM COMPANY LIMITED

Notes to the Accounts - 31 December 2012

(continued)

**8 Tangible fixed assets**

	Development Drilling \$000	Oil Installations & Other Assets \$000	Total \$000
<b>Cost</b>			
At 1 January 2012	2,741,530	3,751,085	6,492,615
Additions	249,884	592,216	842,100
Deletions	(24,751)	(49,636)	(74,387)
	<hr/>	<hr/>	<hr/>
At 31 December 2012	2,966,663	4,293,665	7,260,328
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 January 2012	2,285,563	2,542,988	4,828,551
Charge for year	391,284	887,253	1,278,537
Deletions	(26,752)	(48,748)	(75,500)
	<hr/>	<hr/>	<hr/>
At 31 December 2012	2,650,095	3,381,493	6,031,588
	<hr/>	<hr/>	<hr/>
<b>Net Book amount</b>			
At 1 January 2012	455,967	1,208,097	1,664,064
	=====	=====	=====
At 31 December 2012	316,568	912,172	1,228,740
	=====	=====	=====

# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012 (continued)

### 9 Debtors

	<b>2012</b>	2011
	<b>\$000</b>	\$000
Trade debtors	<b>1,017,527</b>	918,135
Taxation (VAT)	<b>29</b>	23
UK Corporation tax	<b>0</b>	1
Prepayments/Other	<b>308</b>	283
	<hr/> <b>1,017,864</b> <hr/>	<hr/> 918,442 <hr/>

### 10 Creditors

Amounts falling due within one year	<b>2012</b>	2011
	<b>\$000</b>	\$000
Temporary advances from shareholders	<b>893,713</b>	1,343,713
Royalty and other amounts owing to the Government of Abu Dhabi	<b>941,198</b>	812,373
Other creditors	<b>377,744</b>	400,822
	<hr/> <b>2,212,655</b> <hr/>	<hr/> 2,556,908 <hr/>

### 11 Share Capital

Allotted, called up and fully paid	<b>2012</b>	2011
	<b>\$000</b>	\$000
11,210,000 Ordinary £1 shares	<b>18,032</b>	18,032
800 Ordinary 'A' Shares of £1 each	<b>1</b>	1
	<hr/> <b>18,033</b> <hr/>	<hr/> 18,033 <hr/>

# ABU DHABI PETROLEUM COMPANY LIMITED

Notes to the Accounts - 31 December 2012 (continued)

## 12 Net cash inflow from operating activities

	2012	2011
	\$000	\$000
Operating profit	1,993	1,971
Depreciation	1,288,204	951,479
Adjustment to prior year depreciation	(115)	1,216
Exchange differences	(52)	(9)
Decrease/(Increase) in oil stock	(926)	(4,762)
Decrease/(Increase) in debtors	(99,417)	(95,473)
Decrease/(Increase) in creditors	113,883	163,266
	<hr/>	<hr/>
Net cash inflow from operating activities	<b>1,303,570</b>	<b>1,017,688</b>
	<hr/> <hr/>	<hr/> <hr/>

## 13 Analysis of changes in net debt

	At 1 Jan 2012 \$000	Cash Flow \$000	At 31 Dec 2012 \$000
Cash at bank and in hand	1,581	780	2,361
Shareholders' advances	(1,343,713)	450,000	(893,713)
	<hr/>	<hr/>	<hr/>
	(1,342,132)	450,780	(891,352)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 14 Capital commitments

Capital commitments which have been authorised and contracted but not provided for are \$1,594m (2011 \$1,639m)

# ABU DHABI PETROLEUM COMPANY LIMITED

## Notes to the Accounts - 31 December 2012 (continued)

### **15 Reconciliation of movements in shareholders' funds**

	Share Capital \$000	Profit and Loss Account \$000	Total Shareholders' funds \$000
Balance at 1 January 2012	18,033	40,044	58,077
Profit for the year	-	1,880	1,880
Balance at 31 December 2012	<u>18,033</u>	<u>41,924</u>	<u>59,957</u>

### **16 Related Parties**

Details of transactions during 2012 and outstanding balances at 31 December 2012 with related parties are set out below

	IPC \$000	Shareholders \$000
A Transactions during the year		
Turnover – oil sales		12,161,534
B Amounts due from/(to)		
Trade debtors – oil sales		1,015,233
Other creditors	(1,050)	
Shareholders' advances		(893,713)

## ABU DHABI PETROLEUM COMPANY LIMITED

### Notes to the Accounts - 31 December 2012 (continued)

#### **16 Related Parties (cont)**

- a) The Company's turnover is derived from the sales of crude oil to subsidiary companies of each of the shareholders' groups listed below. The invoiced sales are in proportion to the quantity of crude lifted, which are in line with the percentage shareholdings.
- b) Iraq Petroleum Company, Limited (IPC) is a related party by reason of common control.
- c) The Company's shareholders, together with their respective shareholdings, comprise
- BP Exploration Company (Middle East) Limited, 23.75% (a member of the BP plc Group)
  - Total S A, 23.75%,
  - The Shell Petroleum Company Limited, 23.75%
  - Near East Development Corporation, 23.75% (50% owned by each of Exxon Mobil Corporation and ExxonMobil Oil Corporation)
  - Participations and Explorations Corporation, 5%