

Company registration number 08165876 (England and Wales)

NOBLE ENERGY FALKLANDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

NOBLE ENERGY FALKLANDS LIMITED

COMPANY INFORMATION

Directors	L Aguilar E Chesser	{Appointed 24 May 2022} {Appointed 24 August 2022}
Secretary	Bondlaw Secretaries Limited	
Company number	08165876	
Registered office	1 Westferry Circus Canary Wharf London E14 4HA	
Auditors	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ	

NOBLE ENERGY FALKLANDS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 15

NOBLE ENERGY FALKLANDS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company was of exploration for oil and gas.

In 2017, the company ceased to trade and thus no exploration activity was undertaken during the year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A E Jolley	(Resigned 30 April 2021)
M J J Williams	(Resigned 10 October 2022)
A R J Clitheroe	(Appointed 28 April 2021 and resigned 24 August 2022)
L Aguilar	(Appointed 24 May 2022)
E Chesser	(Appointed 24 August 2022)

Results and dividends

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditors

Gerald Edelman LLP were appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

NOBLE ENERGY FALKLANDS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern

In 2017, the company ceased operations in the region, offshore Falkland Islands, and commenced its demobilisation programme. The directors have been and will continue to work closely with their partners and the Falkland Islands Government to demobilise the company's operations from the Falklands Islands.

Having reviewed the company's financial forecasts and expected future cash flows and assuming continued support from the company's ultimate and immediate parent undertaking Chevron Corporation and Noble Energy Falklands Holding, LLC, respectively, the directors have a reasonable expectation that the company has adequate resources available to it to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements. Thus, the directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 December 2021.

Accordingly, notwithstanding the company's net liability position of \$4.08m (2020: \$4.06m), the directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 December 2021.

Further details regarding adoption of the going concern basis can be found in note 1.2 to the financial statements.

On behalf of the board

L Aguilar

Director

15 December 2022

NOBLE ENERGY FALKLANDS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NOBLE ENERGY FALKLANDS LIMITED

Opinion

We have audited the financial statements of Noble Energy Falklands Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 2021 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 *Auditors' responsibilities for the audit of the financial statements* section of our report. 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.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the directors' report and note 1.2 to the financial statements concerning the company's ability to continue as a going concern and the directors' future plans for the company.

The company incurred a net loss of \$20k (2020: \$2,428k) during the year ended 31 December 2021 and, at that date, the company's total liabilities exceeded its total assets by \$4.08m (2020: \$4.06m). Notwithstanding the foregoing, the directors are confident that the company has adequate resources available to it in order to continue to meet its liabilities as they fall due for the foreseeable future and for at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

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.

NOBLE ENERGY FALKLANDS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF NOBLE ENERGY FALKLANDS LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

NOBLE ENERGY FALKLANDS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF NOBLE ENERGY FALKLANDS LIMITED

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussing amongst the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we evaluated management's incentive and opportunities for fraudulent manipulation of the financial statements, including risk of override of controls and determined that the principal risk was related to the posting of inappropriate journal entries.
- Obtaining understanding of the legal and regulatory framework within which the company operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included the UK Companies Act, applicable tax legislation, employment law, and health and safety laws.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships and transactions.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation claims.
- Confirming with management that there had been no non-compliance with any of the legislation discussed above.
- Reviewing relevant profit and loss account items for evidence of litigation.

NOBLE ENERGY FALKLANDS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF NOBLE ENERGY FALKLANDS LIMITED

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance. Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

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

Carl Lundberg ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP

15 December 2022

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

NOBLE ENERGY FALKLANDS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 \$'000	2020 \$'000
	Notes		
Cost of sales		-	(2,352)
Administrative expenses		(20)	(76)
Loss before taxation		(20)	(2,428)
Taxation	4	-	-
Loss for the financial year		(20)	(2,428)
Other comprehensive income		-	-
Total comprehensive income for the year		(20)	(2,428)

NOBLE ENERGY FALKLANDS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 \$'000	\$'000	2020 \$'000	\$'000
Current assets		-		-	
Creditors: amounts falling due within one year	5	(44)		(2,038)	
Net current liabilities			(44)		(2,038)
Creditors: amounts falling due after more than one year	6		(4,040)		(2,026)
Net liabilities			(4,084)		(4,064)
Capital and reserves					
Called up share capital	7		235,579		235,579
Other reserves	9		131,771		131,771
Profit and loss account			(371,434)		(371,414)
Total equity			(4,084)		(4,064)

The financial statements were approved by the Board of directors and authorised for issue on 15 December 2022

Signed on its behalf by:

L Aguilar
Director

Company Registration No. 08165876

NOBLE ENERGY FALKLANDS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2020		193,568	131,771	(368,986)	(43,647)
Year ended 31 December 2020:					
Loss and total comprehensive income for the year		-	-	(2,428)	(2,428)
Issue of share capital	7	42,011	-	-	42,011
Balance at 31 December 2020		235,579	131,771	(371,414)	(4,064)
Year ended 31 December 2021:					
Loss and total comprehensive income for the year		-	-	(20)	(20)
Balance at 31 December 2021		235,579	131,771	(371,434)	(4,084)

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company Information

Noble Energy Falklands Limited is a limited company domiciled and incorporated in England and Wales. The registered office is 1 Westferry Circus, Canary Wharf, London, E14 4HA. The company's principal place of business is offshore the Falkland Islands.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The nature of the company's operations and its principal activities are set out in the Directors' report.

The functional currency of the company is the US dollar because that is the currency of the primary economic environment in which the company operates. All amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statements will contain a note expressing the amount to the nearest whole dollar.

The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

Noble Energy Falklands Limited meets the definition of a qualifying entity under FRS 102 and has taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel

1.2 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding the net liabilities of \$4.084m (2020: \$4.064m), which the directors believe to be appropriate for the following reasons. At the balance sheet date the company had net current liabilities of \$0.044m (2020: \$2.038m), however, notwithstanding the foregoing, the company is reliant for its working capital on funds provided to it by group undertaking Noble Energy Falklands Holding, LLC, which has provided the company with an undertaking that it will, for at least 12 months from the date of the approval of these financial statements, continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(Continued)

1 Accounting policies

1.3 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(Continued)

1 Accounting policies

Basic financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.4 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(Continued)

1 Accounting policies

1.6 Foreign exchange

Transactions denominated in foreign currencies are recorded at the average exchange rates for the respective month. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from changes in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

2 Auditors' remuneration

	2021 \$'000	2020 \$'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	18	18
	<u>18</u>	<u>18</u>

3 Loss for the year

	2021 \$'000	2020 \$'000
Loss for the year is stated after charging:		
Exploration expenses	-	340
Corporation tax settlement agreement	-	2,012
	<u>-</u>	<u>2,352</u>

4 Taxation

The Company carries on its activities solely in the Falkland Islands. In addition, the Company has elected to exempt its overseas profits and losses from UK corporate tax by way of the Foreign Branch Exemption election, effective from 1 January 2013. On this basis the Falkland Islands corporate tax rate is considered the most relevant for the Company, and has been used for the purpose of the tax reconciliation and disclosures.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of Falkland Island corporation tax to the loss before tax is as follows:

	2021 \$'000	2020 \$'000
Loss before taxation	(20)	(2,428)
	<u>(20)</u>	<u>(2,428)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 26.00% (2020: 26.00%)	(5)	(631)
Pre-trading expenditure carried forward	5	631
	<u>0</u>	<u>0</u>
Taxation charge for the year	-	-
	<u>-</u>	<u>-</u>

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Taxation

(Continued)

A deferred tax asset of \$96.318m (2020: \$96.313m) in relation to net pre-trading expenditure carried forward has not been recognised as at this point in the Company's development there is uncertainty regarding the availability of future taxable profit against which these may be utilised. There is no expiry date for such pre-trading expenditure.

Following the application of the foreign branch tax exemption in the UK, the Company's current and future profit and loss, including historic capital expenditure qualifying for UK tax relief, are considered outside the scope of UK taxation effective from 1 January 2013.

5 Current liabilities

	2021 \$'000	2020 \$'000
Amounts due to fellow group undertakings	25	-
Other payables	-	2,012
Accruals and deferred income	19	26
	<u>44</u>	<u>2,038</u>

6 Non-current liabilities

	2021 \$'000	2020 \$'000
Amounts due to group undertakings	<u>4,040</u>	<u>2,026</u>

7 Share capital

	2021 Number	2020 Number	2021 \$'000	2020 \$'000
Ordinary share capital				
Issued and fully paid				
Ordinary of £1 each	<u>184,616,117</u>	<u>184,616,117</u>	<u>235,579</u>	<u>235,579</u>

8 Parent company and controlling party

The company is a subsidiary undertaking of Noble Energy Falklands Holdings LLC, which is the immediate parent company incorporated in the U.S.A.

The largest and smallest group in which the results of the company are consolidated is that headed Chevron Corporation, a company incorporated in the United States of America. The consolidated financial statements of Chevron Corporation can be obtained from 1 Westferry Circus, Canary Wharf, London, United Kingdom, E14 4HA.

9 Capital contribution reserve

In 2017, the company entered into a capital contribution agreement with its immediate parent undertaking, Noble Energy Falklands Holdings LLC ('NEFL Holdings'), in relation to a Participation Agreement loan of \$131.77m due to NEFL Holdings. Under the capital contribution agreement NEFL Holdings contributed all of its right, title and interest in the Participation Agreement by way of a Capital Contribution to the company.

NOBLE ENERGY FALKLANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Related party transactions

The entity has taken advantage of the exemption available in FRS102 "Related party disclosures" whereby it has not disclosed transactions and balances with its parent and fellow subsidiary undertakings.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.