



OFFSHORE

ENERGY. COMMITTED.



ANNUAL REPORT 2019

4 FINANCIAL STATEMENTS 2019

Deferred tax assets per location are as follows:

Deferred tax positions per location

	31 December 2019			31 December 2018		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Canada	12	16	(4)	14	26	(12)
Guyana	-	7	(7)	-	10	(10)
Monaco	5	-	5	5	-	5
Switzerland	1	-	1	3	-	3
the Netherlands	3	-	3	3	-	3
Brazil	1	-	1	1	-	1
Other	0	-	0	-	-	-
Book value at 31 December	22	23	(1)	26	36	(10)

4.3.18 INVENTORIES

	31 December 2019	31 December 2018
Materials and consumables	6	3
Goods for resale	2	2
MPF under construction	0	96
Total	8	101

Multi-purpose hulls under construction relate to the ongoing EPC phase of Fast4Ward® new-build hulls. The Fast4Ward® hulls remain in inventory until they are allocated to a specific FPSO contract. The Company has five multi-purpose hulls as of December 31, 2019 out of which three have been transferred to construction work-in-progress upon the award of the lease and operate contracts for FPSO *Liza Unity* and FPSO *Sepetiba* and the awarded initial limited scope for the FPSO *Prosperity* project. Two multipurpose hulls have not yet been allocated to a project and are therefore accounted for under inventory at December 31, 2019. Following the award of the respective contracts in December 2019 (see note 4.3.1 Financial Highlights), progress on these two hulls has been limited up to December 31, 2019.

4.3.19 TRADE AND OTHER RECEIVABLES

Trade and other receivables (summary)

	Note	31 December 2019	31 December 2018
Trade debtors		128	175
Other accrued income		140	121
Prepayments		115	87
Accrued income in respect of delivered orders		51	13
Other receivables		73	81
Taxes and social security		37	18
Current portion of loan to joint ventures and associates	4.3.16	30	101
Total		573	596

The decrease in 'Trade debtors' of US\$47 million is mainly thanks to improved cash collection and an offsetting agreement between the Company and some of the joint ventures signed in 2019.

The increase in 'Prepayments' of US\$28 million is a result of advance payments in relation to the construction of a new multi-purpose floater hull which has been allocated to the FPSO *Sepetiba*.

The increase in accrued income in respect of delivered orders of US\$38 million is a result of the completion of the FPSO *Liza Destiny* project during the current year.