OpenOil UG

Report and Financial Statements 31 December 2015 (Draft)

OpenOil UG Reference and Administrative Details

For the period ended December 31, 2015 (Draft)

Director

John West

Company Number

HRB 140664 B (Germany)

Registered Office

Gleimstraße 27, Berlin 10437, Germany

Auditor

GAAP GmbH Alten Jakobstraße 79/80 Berlin 10179, Germany

Banker

Deutsche Bank 120 Schönhauser Allee Berlin 10437, Germany

OpenOil UG Management Report

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Structure, governance & management

OpenOil is a limited company incorporated in Germany in October 2011. It was founded as a social enterprise and under its articles of incorporation it is licensed to engage in consultancy to improve governance of the energy industry. The owner and sole director of the company is John West, but as a result of agreements the Shuttleworth Foundation of South Africa retains a 15% option in the equity of the company, and employee Anton Rühling, who joined as an employee in August 2014, retains a 6% equity option.

Objectives, impacts and activities

OpenOil advanced the idea of universal open data frameworks for the world's natural resources, building prototype applications from data already in the public domain.

Financial Modeling: The company developed training methodologies for financial modeling which proved successful with government clients (Chad, Mauritania and Tanzania) and also online. OpenOil was asked to develop a public financial management paradigm of modeling, and did so, publishing models of projects from Tanzania, Afghanistan, Chad and Mongolia.

Contracts Repository: The repository rose to 804 contracts from from 78 countries.

Vertical portals of open data: OpenOil developed a portal to gather in all public domain data issued by companies in the sectors themselves as a result of statutory filing responsibilities or corporate outreach. By the end of the year, the Aleph search engine stored 1.25 million documents from ninne major financial jurisdictions, including hundreds of thousands of PDFs scanned for full text indexing. The company intends to develop the concept as an "open data vertical", or "everything companies tell investors, in one place".

Geo: OpenOil published the first stage of an open data map of the world's oil concessions by georeferencing analog maps in 58 countries across Africa and the Middle East.

Plans for the future

Incorporation as GmbH: Due to growing size, OpenOil intends to raise its capital to 25,000 euros, formally incorporate the Shuttleworth Foundation and Anton Rühling as shareholders, and change its incorporation structure to the GmbH status in Germany. During this process, the company's articles of incorporation will be updated to reflect its status as an open data company, encompassing conformity to open data standards, and prevention of conflicts of interest, or the possible perception of them, in language which is compliant with German company law.

Enable private sector to work with civil society: The next goal of the financial modeling program is to create training programs which allow the processes to create models to be spread to other parties, both in government and civil societies.

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Cutting edge technology: OpenOil will develop programs during 2016 to use the absolute maximum of technological advances in the cause of governance of the extractive industries, including possible use of drones and artificial intelligence algorithms to create datasets in public domain.

Financial review

Total income to the company in the year increased to an estimated €214,429 (2013: €176,631). Director John West drew no salary from the company as he continued to be supported by a fellowship of €56,113 by the Shuttleworth Foundation of South Africa for the year March 1, 2015 to February 28, 2016, as part of their support of OpenOil. These additional funds did not enter the company and do not form part of these accounts but are declared here for the sake of completeness.

The Shuttleworth Foundation was again the major funder

There were no profits and no dividend was declared.

Risk management

Management actively manages risk in a professional, responsible and constructive manner. This involves identifying the types of risks the organisation may face, and assessing and balancing them in terms of potential impact and likelihood of occurrence. Management seeks to ensure that all internal controls, and in particular financial controls, comply in all respects with best practice, and will continue to assess risk in a constructive manner to safeguard the efficacy of the organisation

Going concern

No material uncertainties that may cause significant doubt about the ability of the company to continue as a going concern have been identified by management.

Statement of responsibilities of the director

The director is responsible for preparing the director's 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 Generally Accepted Accounting Practice in Germany. Under company law the director must not approve the financial statements unless 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 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
- prepare the financial statements on the going concern basis unless it is inappropriate to

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presume that the company will continue in operation. Management is 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 applicable law. Management is 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.

Insofar as the directors are aware:

- There is no relevant audit information of which the company's auditor is unaware
- Management has taken all steps that should have been taken to be aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The accountants are Gaap GmbH of Berlin.

Approved by management January 16, 2016

John West, Founder and Director