

BRITANNIC ENERGY TRADING LIMITED**(Registered No 01378710)****ANNUAL REPORT AND ACCOUNTS 2012**

Board of Directors	P J Reed
	M J O'Sullivan
	A H Haywood
	C Mendes

REPORT OF THE DIRECTORS

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

Results and dividends

The profit for the year after taxation was £1,607 which, when added to the retained profit brought forward at 1 January 2012 of £103,463, gives a total retained profit carried forward at 31 December 2012 of £105,070

The company has not declared any dividends during the year (2011 £Nil) The directors do not propose the payment of a dividend

Principal activity and review of the business

The company is engaged as an agent for companies within the BP group for the purchase and sale of freight derivatives, energy related derivatives, foreign exchange products, interest rate products and precious metals The company receives service fees for these activities

The key financial and other performance indicators during the year were as follows

	<u>2012</u>	<u>2011</u>	<u>Variance</u>
	£	£	%
Turnover	33,516	71,795	(53)
Profit after taxation	1,607	3,408	(53)
Shareholders' funds	185,070	183,463	1
	<u>2012</u>	<u>2011</u>	<u>Variance</u>
Quick ratio*	823%	1,196%	(373)

*Quick ratio is defined as current assets, excluding stock and debtors receivable after one year, as a percentage of current liabilities



BRITANNIC ENERGY TRADING LIMITED

REPORT OF THE DIRECTORS

Principal risks and uncertainties

The company aims to deliver sustainable value by identifying and responding successfully to risks. Risk management is integrated into the process of planning and performance management at a group level. Monitoring and accountability for the management of these risks occur through quarterly performance reviews at a group level.

We urge you to consider carefully the risks described below. The potential impact of the occurrence or reoccurrence of any of the risks described below could have a material adverse effect on the company's business, financial position, results of operations, competitive position, cash flows, prospects, liquidity, shareholder returns and/or implementation of its strategic agenda.

Company level risks have been categorised against the following areas: compliance and control. In addition, we have also set out a further category of risk for your attention – those resulting from the 2010 Gulf of Mexico oil spill (the Incident).

Gulf of Mexico oil spill

The Gulf of Mexico oil spill has had and could continue to have a material adverse impact on BP as a group, and consequently may also have an adverse impact on Britannic Energy Trading Limited.

Whilst the BP group recognised significant charges in the income statement since the Incident occurred in 2010, there is significant uncertainty regarding the extent and timing of the remaining costs and liabilities relating to the Incident, the potential changes in applicable regulations and the operating environment that may result from the Incident, the impact of the Incident on the reputation of the group and the resulting possible impact on the group's licence to operate including its ability to access new opportunities. The amount of claims that become payable by the BP group, the amount of fines ultimately levied on the BP group (including any potential determination of the BP group's negligence or gross negligence), the outcome of litigation, the terms of any further settlements including the amount and timing of any payments thereunder, and any costs arising from any longer-term environmental consequences of the Incident, will also impact upon the ultimate cost for the BP group.

Although the provisions recognised represent the current best estimates of expenditures required to settle certain present obligations that can be reasonably estimated at the end of the reporting period, there are future expenditures for which it is not possible to measure the obligations reliably and the total amounts paid by the BP group in relation to all obligations relating to the Incident are subject to significant uncertainty. These uncertainties are likely to continue for a significant period, increase the risks to which the group is exposed and may cause costs to increase. Thus, the Incident has had, and could continue to have, a material adverse impact on the group's business, competitive position, financial performance, cash flows, prospects, liquidity, shareholder returns and/or implementation of its strategic agenda, particularly in the US. The risks associated with the Incident could also heighten the impact of the other risks to which the group is exposed as further described below. Further information on the Incident, is included within the BP group Annual Report and Form 20-F for the year ended 31 December 2012.

BRITANNIC ENERGY TRADING LIMITED

REPORT OF THE DIRECTORS

Principal risks and uncertainties (continued)

Investment efficiency

The company's organic growth is dependent on creating a portfolio of quality options and investing in the best options. Ineffective investment selection and development could lead to loss of value and higher capital expenditure.

Compliance and control risks

Ethical misconduct and non-compliance

The code of conduct, which applies to all employees, defines the company's commitment to integrity, compliance with all applicable legal requirements, high ethical standards and the behaviours and actions the company expects of its businesses and people wherever it operates. The values are intended to guide the way the company and its employees behave and do business. Incidents of ethical misconduct or non-compliance with applicable laws and regulations, including non-compliance with anti-bribery, anti-corruption and other applicable laws could be damaging to the company's reputation and shareholder value. Multiple events of non-compliance could call into question the integrity of the company's operations.

Liabilities and provisions

The BP group's potential liabilities resulting from pending and future claims, lawsuits, settlements and enforcement actions relating to the Gulf of Mexico oil spill, together with the potential cost and burdens of implementing remedies sought in the various proceedings, cannot be fully estimated at this time but they have had, and are expected to continue to have, a material adverse impact on the group's business and consequently may also impact the company's business. Further information is included within the BP group Annual Report and Form 20-F for the year ended 31 December 2012.

Reporting

External reporting of financial and non-financial data is reliant on the integrity of systems and people. Failure to report data accurately and in compliance with external standards could result in regulatory action, legal liability and damage to the company's reputation.

Future developments

The directors aim to maintain the management policies which have resulted in the company's stability in recent years. They believe that the company is in a good position to take advantage of any opportunities which may arise in the future.

It is the intention of the directors that the business of the company will continue for the foreseeable future.

Directors

The present directors are listed on page 1.

P J Reed, A H Haywood and C Mendes served as directors throughout the financial year. Changes since 1 January 2012 are as follows:

BRITANNIC ENERGY TRADING LIMITED

REPORT OF THE DIRECTORS

	<u>Appointed</u>	<u>Resigned</u>
M J O'Sullivan	01/02/2013	
J M Mies		01/02/2013

Directors' indemnity

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006

Policy and practice on payment of creditors

It is the company's policy to follow the CBI's prompt payment code of practice for all suppliers to the company with payments made in accordance with the relevant contractual payment terms. A copy of the code of practice may be obtained from the CBI

The number of days' purchases represented by trade creditors at the year-end was nil

Auditor

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 auditor for the next year

Directors' statement as to the disclosure of information to the auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditor is unaware, and
- 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 auditor is aware of that information

By Order of the Board



For and on behalf of
Sunbury Secretaries Limited
Company Secretary

19 April 2013

Registered Office
Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

BRITANNIC ENERGY TRADING 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 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.

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 for the foreseeable future, continue to adopt the going concern basis in preparing the accounts.

BRITANNIC ENERGY TRADING LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRITANNIC ENERGY TRADING LIMITED**

We have audited the financial statements of Britannic Energy Trading Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses the Balance Sheet, the accounting policies and the related notes 1 to 13. 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 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 Statement of Directors' Responsibilities set out on page x, 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 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 Annual 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 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 2012 and of its profit 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.

Opinion on other matter 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 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.

Ernst & Young LLP

WILLIAM TESTA (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London
19 April 2013

BRITANNIC ENERGY TRADING LIMITED

ACCOUNTING POLICIES

Accounting standards

The financial statements of Britannic Energy Trading Limited were approved for issue by the Board of Directors on 15 April 2013.

These accounts are prepared on a going concern basis and in accordance with the Companies Act 2006 and applicable UK accounting standards

Accounting convention

The accounts are prepared under the historical cost convention.

Statement of cash flows

The group accounts of the ultimate parent undertaking contain a consolidated cash flow statement. The company has taken advantage of the exemption granted by the Financial Reporting Standard No 1 (Revised), whereby it is not required to publish its own cash flow statement.

Revenue recognition

Commissions associated with the company's performance under a contractual arrangement in place with a principal are included in sales and other operating revenues. Any amounts received or receivable from the customers that are payable to the principal are not recognised as revenue.

Foreign currency transactions

Foreign currency transactions are initially recorded in sterling by applying the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rate of exchange ruling at the balance sheet date. Exchange differences are included in the profit and loss account.

Interest income

Interest income is recognised on an accruals basis.

Trade and other debtors

Trade and other debtors are carried at the original invoice amount less allowances made for doubtful receivables. Provision is made when there is objective evidence that the company will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Trade and other creditors

Trade and other creditors are carried at payment or settlement amounts. If the effect of the time value of money is material, trade and other creditors are determined by discounting the expected future cash flows at a pre-tax rate.

BRITANNIC ENERGY TRADING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDING 31 DECEMBER 2012

		<u>2012</u>	<u>2011</u>
	Note	£	£
Turnover	1	33 516	71,795
Administration expenses		(32,231)	(68,635)
Profit on ordinary activities before investment income, interest and taxation		<u>1,285</u>	<u>3,160</u>
Interest receivable and similar income	3	322	248
Profit before taxation		<u>1,607</u>	<u>3,408</u>
Taxation	4	-	-
Profit for the year		<u>1,607</u>	<u>3,408</u>

The profit of £1,607 for the year ended 31 December 2012 has derived in its entirety from continuing operations

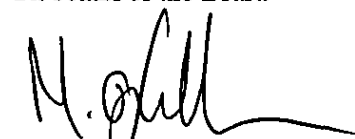
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012

There are no recognised gains or losses attributable to the shareholders of the company other than the profit of £1,607 for the year ended 31 December 2012 (2011 profit of £3,408)

BRITANNIC ENERGY TRADING LIMITED**(Registered No 01378710)****BALANCE SHEET**
AS AT 31 DECEMBER 2012

	Note	<u>2012</u> £	<u>2011</u> £
Current assets			
Debtors	6	105,616	95,024
Cash at bank and in hand		105,034	105,185
		<u>210,650</u>	<u>200,209</u>
Creditors: amounts falling due within one year	7	<u>(25,580)</u>	<u>(16,746)</u>
Net current assets		<u>185,070</u>	<u>183,463</u>
NET ASSETS		<u>185,070</u>	<u>183,463</u>
Represented by			
Capital and reserves			
Called up share capital	8	80,000	80,000
Profit and loss account	9	105,070	103,463
SHAREHOLDERS' FUNDS— EQUITY INTERESTS		<u>185,070</u>	<u>183,463</u>

On behalf of the Board


M J O'Sullivan
Director

19 April 2013

BRITANNIC ENERGY TRADING LIMITED**NOTES TO THE ACCOUNTS****1. Turnover**

Turnover, which is stated net of value added tax, and sales taxes represents amounts invoiced to group companies. The country of origin and destination is substantially the UK geographic area, derived from Britannic Energy Trading Limited acting as an agent to various BP Group companies.

2. Auditor's remuneration

	<u>2012</u>	<u>2011</u>
	£	£
Fees for the audit of the company	<u>9,789</u>	<u>14,674</u>

3. Interest receivable and similar income

	<u>2012</u>	<u>2011</u>
	£	£
Interest income from group undertakings	<u>322</u>	<u>248</u>
	<u>322</u>	<u>248</u>

4. Taxation

The Company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2010. No UK corporation tax has been provided because another group company, BP International Limited, has undertaken to procure the claim or surrender of group relief to the extent it is required and to provide for any current or deferred UK tax that arises without charge.

The following table provides a reconciliation of the UK statutory corporation tax rate to the effective current tax rate on profit before taxation.

	<u>2012</u>	<u>2011</u>
	£	£
Profit before taxation	1,607	3,408
Current taxation	-	-
Effective current tax rate	0%	0%
	<u>2012</u>	<u>2011</u>
	%	%
UK statutory corporation tax rate.	24	26
Increase / (decrease) resulting from		
Free group relief	(24)	(26)
Effective current tax rate	<u>-</u>	<u>-</u>

BRITANNIC ENERGY TRADING LIMITED**NOTES TO THE ACCOUNTS****5. Directors and employees****(a) Remuneration of directors**

None of the directors received any fees or remuneration for services as a director of the company during the financial year (2011. £Nil)

(b) Employee costs

The company had no employees during the year (2011 Nil).

(c) As an FCA regulated entity Britannic Energy Trading Ltd is subject to the provisions of the FCA Remuneration Code. While the entity does not employ individuals directly, the Directors and other senior management employed by BP plc are registered as Approved Persons for BET under the FCA Approved Person regime and are therefore subject to the Remuneration Code rules. For further information on how BET complies with the Remuneration Code please contact the Company Secretary's Office

Company Secretary's Office
BP plc
1 St James's Square
London
SW1Y 4PD

Switchboard +44 (0) 207 496 4000

6. Debtors

	<u>2012</u>	<u>2011</u>
	Within	Within
	1 year	1 year
	£	£
Amounts owed by group undertakings	102,886	80,921
Prepayments and accrued income	<u>2,730</u>	<u>14,103</u>
	<u>105,616</u>	<u>95,024</u>

7. Creditors

	<u>2012</u>	<u>2011</u>
	Within	Within
	1 year	1 year
	£	£
Trade creditors	24,463	-
Accruals and deferred income	<u>1,117</u>	<u>16,746</u>
	<u>25,580</u>	<u>16,746</u>

BRITANNIC ENERGY TRADING LIMITED

NOTES TO THE ACCOUNTS

8. Called up share capital

	<u>2012</u>	<u>2011</u>
	£	£
Allotted, called up and fully paid		
80,000 Ordinary shares of £1 each for a total nominal value of £80,000	80,000	80,000
	<u>80,000</u>	<u>80,000</u>

9. Capital and reserves

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2012	80,000	103,463	183,463
Profit for the year	-	1,607	1,607
At 31 December 2012	80,000	105,070	185,070

10. Reconciliation of movements in shareholders' funds

	<u>2012</u>	<u>2011</u>
	£	£
Profit for the year	1,607	3,408
Net increase in shareholders' funds	1,607	3,408
Shareholders' funds, at 1 January	183,463	180,055
Shareholders' funds at 31 December	185,070	183,463

11. Related party transactions

The company has taken advantage of the exemption contained within Financial Reporting Standard No 8 "Related Party Disclosures", and has not disclosed transactions entered into with group companies. There were no other related party transactions in the year.

12. Pensions

The company does not directly employ any staff and therefore does not directly bear any pension charge.

13. Immediate and ultimate controlling parent undertaking

The immediate parent undertaking is BP International Limited, a company registered in England and Wales. The ultimate controlling parent undertaking is BP plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of BP plc can be obtained from 1 St James's Square, London, SW1Y 4PD.