

BP AFRICA LIMITED
(Registered No. 01030652)

ANNUAL REPORT AND ACCOUNTS 2010

Board of Directors M T Erginbilgic
 B M Puffer

REPORT OF THE DIRECTORS

The directors present their report and accounts for the year ended 31 December 2010

Results and dividends

The profit for the year after taxation was £946,400 which, when added to the retained profit brought forward at 1 January 2010 of £32,154,937 together with exchange adjustments taken directly to reserves of £814,476, gives a total retained profit carried forward at 31 December 2010 of £33,915,813

The company has not declared any dividends during the year (2009 £Nil) The directors do not propose the payment of a dividend

Principal activity and review of the business

The company is an investment holding company

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

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

	<u>2010</u>	<u>2009</u>	<u>Variance</u>
	£	£	%
Dividend income	2,671,473	15,205,958	(82)
Profit on ordinary activities before interest and tax	1,132,479	11,324,167	(90)
Profit after taxation	946,400	8,600,335	(89)
Shareholders' funds	33,915,815	32,154,939	5
	<u>2010</u>	<u>2009</u>	<u>Variance</u>
	%	%	
Current assets as % of current liabilities	209	258	(49)

Profit from ordinary activities before interest and tax has decreased due to the significant portion of the company's fixed asset investments being held for sale during the year. The decrease in dividend income and interest earned together with the divestment expenditure resulted in a lower profit after tax. Shareholders' funds have increased due to the profit for the year together with a gain on currency translation.



BP AFRICA 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.

Consider carefully the risks described below, the potential impact of their occurrence on the business, financial condition and results of operations on the company.

Company level risks have been categorised against the following areas: strategic, compliance and control, and financial risk management. In addition, we have also set out a further category of risk for your attention – those resulting from the 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 BP Africa Limited.

There is significant uncertainty in the extent and timing of costs and liabilities relating to the Incident, the impact of the Incident on the reputation of the BP group and the resulting possible impact on the company's ability to access new opportunities. There is also significant uncertainty regarding potential changes in applicable regulations and the operating environment that may result from the Incident. These increase the risks to which the group and therefore the company are exposed to. These uncertainties are likely to continue for a significant period. 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 BP group income statement for the year ended 31 December 2010 includes a pre-tax charge of \$40.9 billion in relation to the Gulf of Mexico oil spill. The total amounts that will ultimately be paid by the BP group in relation to all obligations relating to the Incident are subject to significant uncertainty and the ultimate exposure and cost to the BP group will be dependent on many factors. The risks associated with the Incident could also heighten the impact of the other risks to which the company 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 2010.

Strategic risks

Socio-political

The diverse nature of the company's operations around the world exposes it to a wide range of political developments and consequent changes to the operating environment, regulatory environment and law.

The company has operations in countries where political, economic and social transition is taking place. Some countries have experienced political instability, changes to the regulatory environment, expropriation or nationalisation of property, civil strife, strikes, acts of war and insurrections. Any of these conditions could disrupt or terminate the company's operations, causing its development activities to be curtailed or terminated, or its production to decline, and could cause it to incur additional costs.

BP AFRICA LIMITED

REPORT OF THE DIRECTORS

Principal risks and uncertainties (continued)

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. 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 company remains exposed to changes in the external environment, such as new laws and regulations (whether imposed by international treaty or by national or local governments in the jurisdictions in which it operates), changes in tax or royalty regimes, price controls, government actions to cancel or renegotiate contracts, market volatility or other factors. Such factors could reduce the company's profitability from operations in certain jurisdictions, limit its opportunities to access new opportunities, require it to divest or write-down certain assets or affect the adequacy of its provisions for pensions, tax, environmental and legal liabilities. Potential changes to pension or financial market regulation could also impact funding requirements of the company.

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 our reputation.

Financial risk management

The main financial risks faced by the company through its normal business activities are market risk, foreign currency exchange risk and, interest rate risk. The management of these financial risks is performed at BP group level. The company seeks to maintain a financial framework to ensure that it is able to maintain an appropriate level of liquidity and financial capacity. This framework constrains the level of assessed capital at risk for the purposes of positions taken in financial instruments. Failure to accurately forecast or maintain sufficient liquidity and credit to meet these needs could impact the company's ability to operate and result in a financial loss.

Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. This includes the possibility that changes in foreign currency exchange rates, interest rates or oil, natural gas and power prices will adversely affect the value of the company's financial assets, liabilities or expected future cash flows. The management of such risks is performed at BP group level. The group has developed a control framework aimed at managing the volatility inherent in certain of its natural business exposures. In accordance with this control framework the group enters into various transactions using derivatives for risk management purposes.

BP AFRICA LIMITED

REPORT OF THE DIRECTORS

Principal risks and uncertainties (continued)

Financial risk management (continued)

Foreign currency exchange risk

Fluctuations in foreign exchange rates can have significant effects on the company's reported results. The company's financial assets and liabilities give rise to transactional currency exposures. Such exposures arise from transactions in a currency other than the company's functional currency. The management of such risks is performed at BP group level. BP's foreign exchange management policy is to minimise economic and significant transactional exposures arising from currency movements against the US dollar. The group co-ordinates the handling of foreign exchange risks centrally, by netting off naturally occurring opposite exposures wherever possible and then dealing with any material residual foreign exchange risks. For highly probable forecast capital expenditures the group locks in the US dollar cost of non US dollar supplies by using currency forwards and futures.

Interest rate risk

The company is exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally finance debt.

Events since the balance sheet date

In February 2011 the company sold its 50% share in BP Zimbabwe (Pvt) Limited to a third party.

In May 2011 the company sold its 50% share in BP Malawi Limited to a third party.

Directors

The present directors are listed on page 1.

There have been no director appointments or resignations since 1 January 2010.

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.

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 auditor for the next year.

BP AFRICA LIMITED

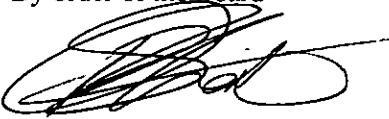
REPORT OF THE DIRECTORS

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



Pritul Shah
For and on behalf of
Sunbury Secretaries Limited
Company Secretary

22 July 2011

Registered Office

Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

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

BP AFRICA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BP AFRICA LIMITED

We have audited the financial statements of BP Africa Limited for the year ended 31 December 2010 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 18. 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 out 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 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.

Opinion on the 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 2010 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 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, Statutory Auditor

London
26 July 2011

BP AFRICA LIMITED
ACCOUNTING POLICIES

Accounting standards

These accounts are prepared in accordance with 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.

Group accounts

Group accounts are not submitted as the company is exempt from the obligation to prepare group accounts under Section 400 (1) of the Companies Act 2006. The results of subsidiary and associated undertakings are dealt with in the consolidated accounts of the ultimate parent undertaking, BP plc, a company registered in England and Wales. The accounts present information about the company as an individual undertaking and not about the group.

Dividend income

Dividend income from investments is recognised when the shareholders' right to receive the payment is established.

Foreign currency transactions

Assets and liabilities of foreign currency branches are translated into sterling at rates of exchange ruling at the balance sheet date. The profit and loss account is translated into sterling using average rates of exchange. Exchange differences arising when the opening net assets and the profits for the year retained by foreign currency branches are translated into sterling are taken directly to reserves and reported in the statement of total recognised gains and losses. Exchange gains and losses arising on long-term foreign currency borrowings used to finance the company's foreign currency investments are also dealt with in reserves.

All other exchange gains or losses on settlement or translation at closing rates of exchange of monetary assets and liabilities are included in the determination of profit or loss for the year.

Interest

Interest is charged against income in the year in which it is incurred.

Dividends payable

Final dividends are recorded in the accounts in the year in which they are approved by the company's shareholders. Interim dividends are recorded in the year in which they are approved and paid.

BP AFRICA LIMITED

ACCOUNTING POLICIES

Investments

Fixed asset investments in subsidiaries, joint ventures and associates are held at cost. The company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

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.

BP AFRICA LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Dividend income		2,671,473	15,205,958
Administration expenses		(1,056,364)	(3,666,400)
Exceptional items	3	(482,630)	(215,391)
Profit on ordinary activities before interest and tax	1	1,132,479	11,324,167
Interest receivable and similar income	4	34,933	78,569
Profit before taxation		1,167,412	11,402,736
Taxation	5	(221,012)	(2,802,401)
Profit for the year		946,400	8,600,335

The profit of £946,400 for the year ended 31 December 2010 was derived in its entirety from continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2010

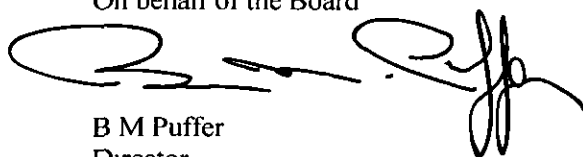
	2010 £	2009 £
Profit for the year	946,400	8,600,335
Currency translation differences	814,476	(1,150,839)
Total recognised gains and losses for the year	1,760,876	7,449,496

BP AFRICA LIMITED
(Registered No 01030652)

BALANCE SHEET AT 31 DECEMBER 2010

	Notes	2010 £	2009 £
Fixed assets			
Investments	7	7,624,511	12,011,943
Current assets			
Debtors	8	93,783,105	73,600,439
Investments held for sale	9	4,387,432	-
		98,170,537	73,600,439
Creditors: amounts falling due within one year	10	(46,879,233)	(28,457,443)
Net current assets		51,291,304	45,142,996
TOTAL ASSETS LESS CURRENT LIABILITIES		58,915,815	57,154,939
Creditors: amounts falling due after more than one year	11	(25,000,000)	(25,000,000)
NET ASSETS		33,915,815	32,154,939
Represented by:			
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	33,915,813	32,154,937
SHAREHOLDERS' FUNDS – EQUITY INTERESTS		33,915,815	32,154,939

On behalf of the Board



B M Puffer
Director

22 July 2011

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

1. Profit on ordinary activities before interest and tax

This is stated after taking into account

	<u>2010</u>	<u>2009</u>
	£	£
Exchange losses	<u>1,027,378</u>	<u>2,171,854</u>

2. Auditor's remuneration

	<u>2010</u>	<u>2009</u>
	£	£
Fees for the audit of the company	<u>12,067</u>	<u>10,412</u>

Fees paid to the company's auditor, Ernst & Young LLP, and its associates for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of BP Africa Limited's ultimate parent, BP plc, are required to disclose non-audit fees on a consolidated basis

The fees were borne by another group company

3. Exceptional items

Exceptional items comprise of amounts directly incurred from investments held for sale as follows

	<u>2010</u>	<u>2009</u>
	£	£
Divestment expenditure	482,630	-
Loss on sale of investments	<u>-</u>	<u>215,391</u>

The divestment expenditure of £482,630 arose due the company's decision to sell its investment in BP Zimbabwe (Private) Limited. The transaction will only be concluded in 2011.

In 2009, the loss on disposal of investments of £215,391 arose due to the sale of the company's investment in Kenya Petroleum Refineries Limited. There was no tax effect of this disposal.

4. Interest receivable and similar income

	<u>2010</u>	<u>2009</u>
	£	£
Interest income from group undertakings	<u>34,933</u>	<u>78,569</u>

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

5. Taxation

The Company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2010. No 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 tax that arises without charge.

The tax charge is made up as follows:

	<u>2010</u>	<u>2009</u>
	£	£
<u>Current tax</u>		
Overseas withholding tax	221,012	2,802,401
 Tax charged on profit on ordinary activities	<u>221,012</u>	<u>2,802,401</u>

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

	<u>2010</u>	<u>2009</u>
	£	£
Profit before taxation	1,167,412	11,402,736
Current taxation	221,012	2,802,401
 Effective current tax rate	19%	25%
	<u>2010</u>	<u>2009</u>
	%	%
UK statutory corporation tax rate	28	28
 Increase/(decrease) resulting from		
Free group relief	12	8
Transfer pricing adjustments	(30)	(4)
Non deductible expenses / non taxable income	9	(7)
 Effective current tax rate	<u>19</u>	<u>25</u>

6 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 (2009: £Nil).

(b) Employee costs

The company had no employees during the year (2009: Nil).

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

7. Fixed assets - investments

	Subsidiaries shares	Investment in associates shares	Total
Cost	£	£	£
At 1 January 2010	11,721,852	13,986,904	25,708,756
Transfers to investments held for sale	(4,097,341)	(13,986,904)	(18,084,245)
At 31 December 2010	7,624,511	-	7,624,511
Amounts provided			
At 1 January 2010	2,351	13,694,462	13,696,813
Transfers to investments held for sale	(2,351)	(13,694,462)	(13,696,813)
At 31 December 2010	-	-	-
Net book amount			
At 31 December 2010	7,624,511	-	7,624,511
At 31 December 2009	11,719,501	292,442	12,011,943

The investments in the subsidiary and associated undertakings are unlisted

The subsidiary undertakings of the company at 31 December 2010 and the percentage of equity capital held are set out below. The principal country of operation is generally indicated by the company's country of incorporation or by its name.

<u>Subsidiary undertakings</u>	<u>Class of share held</u>	<u>%</u>	<u>Country of incorporation</u>	<u>Principal activity</u>
BP Moçambique Ltd	Ordinary	100	England & Wales	Marketing
BP Moçambique Limitada	Ordinary	98.27	Moçambique	Marketing
Kabulonga Properties Ltd	Ordinary	100	Zambia	Properties
ECM Markets SA (Pty) Ltd	Ordinary	100	South Africa	Marketing

8. Debtors

	2010	2009
	Within 1 year	Within 1 year
	£	£
Amounts owed by group undertakings	93,783,105	73,224,448
Amounts owed by associates	-	375,991
	93,783,105	73,600,439

The amount receivable from subsidiary undertakings includes interest free and unsecured US Dollar-denominated debenture notes totalling £6,637,847 (2009 £6,381,222) issued to BP Moçambique Limited and is repayable on a date as may be agreed between the parties.

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

9. Investments held for sale

	2010	2009
	£	£
Cost	18,084,245	-
Amounts provided	(13,696,813)	-
	<u>4,387,432</u>	<u>-</u>

In March 2010 the company publically announced its intention to find new owners for the company's downstream operations in Malawi, Zambia and Tanzania, and disposing of these assets during the year. The company's estimated completion of this project is the end of 2011. Also during the latter part of 2007, the BP plc Board approved the disposal of the company's investment in Zimbabwe.

These investments are all ready for sale in their current condition and the sales are highly probable. Agreements concluded during the year awaiting regulatory approvals are as follows:

<u>Entity</u>	<u>Purchaser Details</u>	<u>Date of agreement</u>
BP Zambia Plc	Puma Energy (Ireland) Holdings Limited	12 November 2010
BP Tanzania Limited	Puma Energy (Tanzania) Investments Limited	12 November 2010

The below investments have been sold subsequent to year end. For more details please refer to note 16.

<u>Entity</u>	<u>Purchaser Details</u>	<u>Date of agreement</u>
BP Malawi Limited	Puma Energy (Malawi) Holdings AG	12 November 2010
BP Zimbabwe (Pvt) Ltd & Shell Zimbabwe (Pvt) Ltd	FMI Zimbabwe (Pvt) Ltd	7 October 2010

The investments held for sale are unlisted with exception of BP Zambia Plc.

The subsidiary and associated undertakings of the company at 31 December 2010 and the percentage of equity capital held for sale are set out below. The principal country of operation is generally indicated by the company's country of incorporation or by its name.

<u>Subsidiary undertakings</u>	<u>Class of share held</u>	<u>%</u>	<u>Country of incorporation</u>	<u>Principal activity</u>
BP Zambia Plc	Ordinary	75	Zambia	Marketing
BP Malawi Limited	Ordinary	50	Malawi	Marketing

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

9. Investments held for sale (continued)

<u>Associated undertakings</u>	<u>Class of share held</u>	<u>%</u>	<u>Country of incorporation</u>	<u>Issues share capital</u>	<u>Principal activity</u>
BP Zimbabwe (Pvt) Ltd	Ordinary	50	Zimbabwe	16,799,500	Marketing
Central African Petroleum Refineries (Pvt) Ltd	Ordinary	20 75	Zimbabwe	2,000,000	Refining
BP Tanzania Limited	Ordinary	50	Tanzania	2,640,000	Marketing
Shell Zimbabwe (Pvt) Ltd		50	Zimbabwe	46,522,500	Marketing

A provision of £13,694,462 was made against the cost of the investment in BP Zimbabwe (Pty) Ltd and BP Shell Zimbabwe (Pty) Ltd since 2001 due to the long term currency restrictions in Zimbabwe. The carrying value of these investments at the year end is £Nil (2009 £Nil).

10. Creditors

	<u>2010</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>
	<u>Within</u>	<u>After</u>	<u>Within</u>	<u>After</u>
	<u>1 year</u>	<u>1 year</u>	<u>1 year</u>	<u>1 year</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Deferred income relating to disposals	15,495,040	-	-	-
Amounts owed to group undertakings	24,746,346	-	22,076,221	-
Loans (see note 11)	6,637,847	25,000,000	6,381,222	25,000,000
Amounts owed to associates	-	-	-	-
	<u>46,879,233</u>	<u>25,000,000</u>	<u>28,457,443</u>	<u>25,000,000</u>

11. Loans

Loans repayable, included within creditors, are analysed as follows

	<u>2010</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>
	<u>Within</u>	<u>After</u>	<u>Within</u>	<u>After</u>
	<u>5 year</u>	<u>5 year</u>	<u>5 year</u>	<u>5 year</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wholly repayable	-	25,000,000	-	25,000,000
Not wholly repayable	6,637,847	-	6,381,222	-
	<u>6,637,847</u>	<u>25,000,000</u>	<u>6,381,222</u>	<u>25,000,000</u>

The amounts shown as payable after one year to parent and fellow subsidiary undertakings includes an interest free loan of £25,000,000 from BP plc

The amount shown as payable within one year to group undertakings includes an interest free US Dollar-denominated loan at a value of £6,637,847 (2009: £6,381,222) from BP Moçambique Limitada

Both loans are repayable on dates as may be agreed between the parties

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

12. Called up share capital

	<u>2010</u>	<u>2009</u>
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each for a total nominal value of £2	<u>2</u>	<u>2</u>

13. Capital and reserves

	Equity share capital	Profit and loss account	Total
	£	£	£
At 1 January 2010	2	32,154,937	32,154,939
Currency translation differences	-	814,476	814,476
Profit for the year	-	946,400	946,400
At 31 December 2010	<u>2</u>	<u>33,915,813</u>	<u>33,915,815</u>

In 2010, the company neither paid nor declared any dividends for the year (2009 £Nil)

14. Reconciliation of movements in shareholders' funds

	<u>2010</u>	<u>2009</u>
	£	£
Profit for the year	946,400	8,600,335
Currency translation differences	814,476	(1,150,839)
Dividends – current year interim paid	-	-
Net increase in shareholders' funds	<u>1,760,876</u>	<u>7,449,496</u>
Shareholders' funds at 1 January	32,154,939	24,705,443
Shareholders' funds at 31 December	<u>33,915,815</u>	<u>32,154,939</u>

15. 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

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

15. Related party transactions (continued)

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows

Related party	Relationship	Dividends from related party	Dividends from related party	Amounts owed (to)/by related party	Amounts owed by related party
		2010	2009	2010	2009
		£	£	£	£
BP Malawi Limited	Subsidiary	1,748,785	2,387,910	-	1,124,227
BP Zambia Plc	Subsidiary	922,688	-	-	-
BP Tanzania Limited	Associate	-	-	-	375,992

There were no related party balances written off during the year (2009 £1,697,484)

16. Post balance sheet event

In February 2011 the company sold its 50% share in BP Zimbabwe (Pvt) Limited to a third party

In May 2011 the company sold its 50% share in BP Malawi Limited to a third party

17. Pensions

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

18. Immediate and ultimate parent undertaking

The immediate parent undertaking of this company is BP plc, a company registered in England and Wales. The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is BP plc, a company registered in England and Wales. Copies of BP plc's accounts can be obtained from 1 St James's Square, London, SW1Y 4PD