BP AFRICA LIMITED
(Registered No 01030652)

ANNUAL REPORT AND ACCOUNTS 2012

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 2012

Results and dividends

The loss for the year after taxation was £(8,561,335) which, when added to the retained profit brought forward at 1 January 2012 of £47,537,506 together with exchange adjustments taken directly to reserves of £(1,723,276) gives a total retained profit carried forward at 31 December 2012 of £37,252,895

The company has not declared any dividends during the year (2011 £93,597,903) 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

	2012	2011	Variance
	£	£	%
Dividend income	-	308,276	(100)
(Loss) / profit on ordinary activities before interest and tax	(7,918 212)	117 830,053	(107)
(Loss) / profit after taxation	(8,561,335)	105,632,420	(108)
Shareholders' funds	37,252,897	47,537,508	(22)

	2012	2011	Variance
	%	%	
Quick ratio*	236	286	(18)

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

A sale of a significant portion of the company's investments was completed in the prior year and this resulted in a large profit on disposal However, significant provisions have been raised this year in respect of one of these investments, BP Zambia Plc This has been included within discontinued operations – refer to note 3

No dividend income has been received this year from the remaining investments

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

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 strategic and commercial, compliance and control, and financial risk management In addition, we have also set 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 BP Africa 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

Principal risks and uncertainties (continued)

Strategic and commercial 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 or may experience in the future political instability, changes to the regulatory environment, expropriation or nationalisation of property, civil strife, strikes, acts of war and insurrections Any of these conditions occurring could disrupt or terminate the company's operations, causing its development activities to be curtailed or terminated in these areas or its production to decline, could limit the company's ability to pursue new opportunities, could affect the recoverability of its assets and could cause it to incur additional costs

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

Principal risks and uncertainties (continued)

Compliance and control risks (continued)

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

Financial risk management

The main financial risks faced by the company through its normal business activities are market risk, foreign currency exchange risk, interest rate risk, credit risk and liquidity 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

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 The main underlying economic currency of the BP group's cash flows is the US dollar This is because the BP group's major product, oil, is priced internationally in US dollars The BP group'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

Crude oil prices are generally set in US dollars, while sales of refined products may be in a variety of currencies Fluctuations in exchange rates can therefore give rise to foreign exchange exposures, with a consequent impact on underlying costs and revenues

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

Principal risks and uncertainties (continued)

Financial risk management (continued)

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company It arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables. The management of such risks is performed at BP group level The group has a credit policy, approved by the CFO, which is designed to ensure that consistent processes are in place throughout the group to measure and control credit risk Credit risk is considered as part of the risk-reward balance of doing business On entering into any business contract the extent to which the arrangement exposes the group to credit risk is considered Before trading with a new counterparty can start, its creditworthiness is assessed and a credit rating allocated that indicates the probability of default, along with a credit exposure limit Creditworthiness continues to be evaluated after transactions have been initiated and a watch list of higher-risk counterparties is maintained

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available This risk is managed by the BP group on the company's behalf and as such the company has access to the resources of the group The group has long-term debt ratings of A2 (stable outlook) assigned by Moody's consistently throughout the year and A (positive outlook) assigned by Standard & Poor's since July 2012, strengthened from A (stable outlook) in force at the start of the year

Going concern

The directors consider that, despite the uncertainties deriving from the current economic environment and the loss reported for the year, the company has adequate resources to continue in operational existence for the foreseeable future

Directors

The present directors are listed on page 1

There have been no director appointments or resignations since 1 January 2012

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

BP AFRICA LIMITED

REPORT OF THE DIRECTORS

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

14 MAY 2013

Registered Office

Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

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 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 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 7 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 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

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
15 May 2013

BP AFRICA LIMITED

ACCOUNTING POLICIES

Accounting standards

The financial statements of BP Africa Limited were approved for issue by the Board of Directors on 3 MAY 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

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 p l c , 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, to the extent that they are used to finance or to provide hedge against 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 income

Interest income is recognised on an accruals basis

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

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

Other debtors

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

Other creditors

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

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain The expense relating to any provision is presented in the profit and loss account net of any reimbursement If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable

Environmental liabilities

Environmental expenditures that relate to current or future revenues are expensed or capitalised as appropriate Expenditures that relate to an existing condition caused by past operations and that do not contribute to current or future earnings are expensed

Liabilities for environmental costs are recognised when environmental assessments or clean-ups are probable and the associated costs can be reasonably estimated Generally, the timing of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites The amount recognised is the best estimate of the expenditure required Where the time value of money is material, the amount recognised is the present value of the estimated future expenditure

BP AFRICA LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 Continuing operations £	2012 Discontinued operations £	2012 Total £	2011 Total £
Dividend income		-	-	-	308,276
Administration (expenses) / income		(650 270)	-	(650,270)	720,433
Operating (loss) / profit	1	(650,270)	-	(650,270)	1,028,709
(Loss) / profit on termination of operations	3	-	(7,267,942)	(7,267,942)	116,801,344
(Loss) / profit on ordinary activities before interest and tax		(650,270)	(7,267,942)	(7 918,212)	117,830,053
Interest receivable and similar income	4			77,243	154,696
(Loss) / profit before taxation				(7,840,969)	117,984,749
Taxation	5			(720,366)	(12,352,329)
(Loss) / profit for the year				(8,561,335)	105,632,420

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

	2012 £	2011 £
(Loss) / profit for the year	(8 561,335)	105,632,420
Currency translation differences	(1,723 276)	1 587,176
Total recognised gains and losses for the year	(10,284,611)	107,219,596

BP AFRICA LIMITED
(Registered No 01030652)

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	2012 £	2011 £
Fixed assets			
Investments	7	7,624,511	7,624,511
Current assets			
Debtors	8	66,280,213	102,359,141
		66,280,213	102,359,141
Creditors: amounts falling due within one year	9	(28,131,520)	(35,767,784)
Net current assets		38,148,693	66,591,357
TOTAL ASSETS LESS CURRENT LIABILITIES		45,773,204	74,215,868
Creditors amounts falling due after more than one year	9	-	(25,000 000)
Provisions for liabilities and charges			
Other provisions	11	(8,520,307)	(1,678,360)
NET ASSETS		37,252,897	47,537,508
Represented by:			
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	37,252,895	47,537,506
SHAREHOLDERS' FUNDS – EQUITY INTERESTS		37,252,897	47,537,508

On behalf of the Board

Brian Puffer
Director

14 MAY 2013

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

1. Operating (loss) / profit

This is stated after charging / (crediting)

	2012	2011
	£	£
Currency exchange losses and (gains)	646,040	(733,830)

2. Auditor's remuneration

	2012	2011
	£	£
Fees for the audit of the company	4,486	4,162

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 p l c , are required to disclose non-audit fees on a consolidated basis

The fees were borne by another group company

3. Discontinued operations

(a) Corresponding figures

The analysis between continued and discontinued operations for the year ended 31 December 2011 is shown below No further activities were discontinued during the year ended 31 December 2012

	2011	2011	2011
	Continuing operations	Discontinued operations	Total
	£	£	£
Dividend income	-	308,276	308,276
Administration income	583,511	136,922	720 433
Operating profit	583.511	445,198	1.028,709
Profit on disposal of operations	-	116,801.344	116.801.344
Profit on ordinary activities before interest and tax	583.511	117,246.542	117,830.053

3. Discontinued operations (continued)

(b) (Loss) / profit on termination of operations

These amounts have been directly incurred from investments sold during the prior year as follows:

	2012	2011
	£	£
Reversal of BP Zimbabwe impairment	-	6,952,007
Settlement of BP Zimbabwe claim	-	(3,538,123)
Bad debt recovery	-	2,683,140
Environmental provision raised (see note 11)	(1,548,122)	(1,602,623)
Divestment expenditure	(39,795)	-
Profit on sale of investments	-	112,306,943
BP Zambia duty provision raised (see note 11)	(5,680,025)	-
(Loss) / profit on disposal of operations	(7,267,942)	116,801,344
Tax charge	(720,366)	(12,296,555)
(Loss) / profit on disposal of operations (net of tax)	(7,988,308)	104,504,789

The tax charge above for both the current and prior years relates to capital gains tax payable on the disposals at a rates of 15% for BP Malawi Limited and 30% for BP Tanzania Limited

The profit on sale of investments in 2011 was due to the divestment of the company's downstream operations in Malawi, Zambia, Tanzania and Zimbabwe

4. Interest receivable and similar income

	2012	2011
	£	£
Interest income from group undertakings	77 243	154,696

5. Taxation

The Company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2011 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 tax that arises without charge

The tax charge is made up as follows

	2012	2011
Current tax	£	£
Overseas withholding tax	-	55,774
Capital gains tax	720,366	12,296,555
Tax charged on profit on ordinary activities	720,366	12,352,329

(a) Factors affecting the current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24% for the year ended 31 December 2012 (2011 – 26%) The differences are reconciled below

	2012	2011
	£	£
(Loss) / profit before taxation	(7,840,969)	117,984,749
Current taxation	720,366	12,352,329
Effective current tax rate	(9)%	10%

	2012	2011
	%	%
UK statutory corporation tax rate	24	26
Increase / (decrease) resulting from		
Free group relief	(3)	-
Transfer pricing adjustment	1	-
Non-deductible expenditure / non-taxable income	(22)	(26)
Current overseas tax	(9)	10
Effective current tax rate	(9)	10

6. Directors and employees

(a) Remuneration of directors

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

(b) Employee costs

The company had no employees during the year (2011 £nil)

BP AFRICA LIMITED

NOTES TO THE ACCOUNTS

7. Fixed assets - investments

	Subsidiary shares
Cost	£
At 1 January 2012 and 31 December 2012	7,624,511
Net book amount	
At 31 December 2012	7,624,511
At 31 December 2011	7,624,511

The investments in the subsidiary undertakings are unlisted.

The subsidiary undertakings of the company at 31 December 2012 and the percentage of equity capital held set out below are the investments which principally affected the profits or net assets of the company To avoid a statement of excessive length, details of investments which are not significant have been omitted The principal country of operation is generally indicated by the company's country of incorporation or by its name

Subsidiary undertakings	Class of shares held	%	Country of incorporation	Principal activity
BP Mocambique Limited	Ordinary	100	England & Wales	Marketing
BP Mocambique Limitada	Ordinary	98 27	Mozambique	Marketing

8. Debtors

	2012	2011
	Within 1 year	Within 1 year
	£	£
Amounts owed by group undertakings	66,280,213	102,359,141
	66,280,213	102,359,141

The amount receivable from group undertakings includes interest free and unsecured US Dollar-denominated debenture notes totalling £6,324,342 (2011 £6,638,278) issued to BP Mocambique Limited and is repayable on a date as may be agreed between the parties

9. Creditors

	2012 Within 1 year £	2012 After 1 year £	2011 Within 1 year £	2011 After 1 year £
Amounts owed to group undertakings	21,807,178	-	24,698,468	-
Loans (see note 10)	6,324,342	-	6,638,278	25,000,000
CGT Payable	-	-	4,431,038	-
	28,131,520	-	35,767,784	25,000,000

10. Loans

Loans repayable, included within creditors, are analysed as follows

	2012 Within 5 years £	2012 After 5 years £	2011 Within 5 years £	2011 After 5 years £
Wholly repayable	-	-	-	25 000,000
Not wholly repayable	6,324,342	-	6,638,278	-
	6,324,342	-	6,638,278	25,000,000

The amount shown as payable within five years to group undertakings includes an interest free US Dollar-denominated loan at a value of £6,324,342 (2011 £6,638,278) from BP Mocambique Limitada

11. Other provisions

	Environ-mental £	Other £	Total £
At 1 January 2012	1,678,360	-	1,678,360
Exchange adjustments	(109,080)	(108,994)	(218 074)
New or increased provisions	1 539,918	5,680,025	7,219 943
Unwinding of discount	8,204	-	8,204
Utilisation	(168,126)	-	(168,126)
At 31 December 2012	2 949,276	5,571,031	8,520,307

The company has been assigned, in terms of an agreement reached with BP Zambia Plc, the responsibility and liability for remedial works and contamination relating to a site at Musenga in Zambia The agreement was reached before BP Zambia Plc was sold to Puma Energy (Ireland) Holdings Limited on 12 November 2010 The provision has been estimated on the basis of assumptions agreed by the BP Group remediation management function, at current prices and discounted using a real discount rate of 0 5% (2011 0 5%) These costs are expected to be incurred over the next 2 years

In addition, a provision for duty payable to tax authorities has been raised in respect of the same transaction, based on management's best estimate of the amounts which will be payable of $9 million, which is expected to be settled between 1-2 years from the year-end While the provisions are based on the best estimate of future costs there is uncertainty regarding both the amount and timing of incurring these costs

NOTES TO THE ACCOUNTS

12. Called up share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each for a total nominal value of £2	2	2

13. Capital and reserves

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2012	2	47,537,506	47,537,508
Currency translation differences	-	(1,723,276)	(1,723,276)
Loss for the year	-	(8,561,335)	(8,561,335)
At 31 December 2012	2	37,252,895	37,252,897

14. Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
(Loss) / profit for the year	(8,561,335)	105,632,420
Currency translation differences	(1,723,276)	1,587,176
Dividends – current year interim paid	-	(93,597,903)
Net (decrease) / increase in shareholders' funds	(10,284,611)	13,621,693
Shareholders' funds at 1 January	47,537,508	33,915,815
Shareholders' funds at 31 December	37,252,897	47,537,508

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

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 2012	Dividends from related party 2011	Amounts owed to related party 2012	Amounts owed to related party 2011
		£	£	£	£
BP Mocambique Limitada	Subsidiary	-	-	(6,324 342)	(6,638 278)
BP Tanzania Limited	Associate	-	308,276	-	-

16. Pensions

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

17. Contingent liabilities

The company remains liable for settlement of tax audit issues for periods prior to the economic date for the disposal of the company's downstream interests in Tanzania and Zambia Potential liabilities remain until these audits are formally closed No provision has been made as the company is of the opinion that there will be no outflow of resources

18. Immediate and ultimate parent undertaking

The immediate parent undertaking is BP p l c , a company registered in England and Wales The ultimate controlling parent undertaking is BP p l c , 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 p l c can be obtained from 1 St James's Square, London, SW1Y 4PD