BP KAPUAS I LIMITED
(Registered No 04511913)

ANNUAL REPORT AND ACCOUNTS 2012

Board of Directors J H Bartlett
J S Blythe
M R Illingworth
W W L Lin
A P Martin

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 $8 344,330 which, when added to the retained deficit brought forward at 1 January 2012 of $543,954, gives a total retained deficit carried forward at 31 December 2012 of $8,888,284

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

Principal activities and review of the business

On 1 April 2011, BP and co-owner PT Sugico Graha were jointly awarded the Kapuas I CBM PSCs through a direct offer from the Government of Indonesia BP was to hold a 45 per cent participating interest in the PSCs with Sugico holding the remaining 55 per cent

In 2012, BP management decided to exit the Kapuas I CBM PSC

In May 2013, The Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKKMIGAS) granted final approval for the transfer of all of BP's participating interests in the Kapuas I CBM PSC to PT Sugico Graha

No key financial and other performance indicators have been identified for this company

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 safety and operational and financial risk management

Principal risks and uncertainties (continued)

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 Kapuas I 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 payable 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

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

Principal risks and uncertainties (continued)

Strategic and commercial risks (continued)

Competition
The company's strategy depends upon continuous innovation in a highly competitive market

The oil, gas and petrochemicals industries are highly competitive There is strong competition, both within the oil and gas industry and with other industries, in supplying the fuel needs of commerce, industry and the home Competition puts pressure on the terms of access to new opportunities, licence costs and product prices, affects oil products marketing and requires continuous management focus on reducing unit costs and improving efficiency, while ensuring safety and operational risk is not compromised The implementation of the BP group strategy requires continued technological advances and innovation including advances in exploration, production, refining, petrochemicals manufacturing technology and advances in technology related to energy usage The company's performance could be impeded if competitors developed or acquired intellectual property rights to technology that it required or if its innovation lagged the industry, or by its failure to adequately protect the company's brands and trademarks The company's competitive position could be adversely affected if it fails to control its operating costs or manage its margins, or if it fails to sustain, develop and operate efficiently a high quality portfolio of assets

Compliance and control risks

Regulatory
Due to the Gulf of Mexico oil spill, it is likely that there will be more stringent regulation of the BP group's oil and gas activities in the US and elsewhere, particularly relating to environmental, health and safety controls and oversight of drilling operations, as well as access to new drilling areas

Regulatory or legislative action may impact the industry as a whole and could be directed specifically towards the BP group. New regulations and legislation, the terms of the BP group's settlements with US government authorities and future settlements or litigation outcomes related to the Incident, and/or evolving practices could increase the cost of compliance and may require changes to the company's drilling operations, exploration, development and decommissioning plans, and could impact the company's ability to capitalise on its assets and limit its access to new exploration properties or operatorships In addition, increases in taxes, royalties and other amounts payable to governments or governmental agencies, or restrictions on availability of tax relief, could also be imposed as a response to the Incident

In addition, the oil industry in general is subject to regulation and intervention by governments throughout the world in such matters as the award of exploration and production interests, the imposition of specific drilling obligations, environmental, health and safety controls, controls over the development and decommissioning of a field (including restrictions on production) and, possibly, nationalisation, expropriation, cancellation or non-renewal of contract rights

Failure to respond to changes in trading regulations could result in regulatory action and damage to the company's reputation The oil industry is also subject to the payment of royalties and taxation, which tend to be high compared with those payable in respect of other commercial activities, and operates in certain tax jurisdictions that have a degree of uncertainty relating to the interpretation of, and changes to, tax law. As a result of new laws and regulations or other factors, the company could be required to curtail or cease certain operations, or could incur additional costs

Principal risks and uncertainties (continued)

Compliance and control risks (continued)

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

Safety and operational risks

Process safety, personal safety and environmental risks
The nature of the company's operations exposes it to a wide range of significant health, safety, security and environmental risks The scope of these risks is influenced by the geographic range, operational diversity and technical complexity of the company's activities In addition, in many of the company's major projects and operations, risk allocation and management is shared with third parties, such as contractors, sub-contractors, joint venture partners and associates

There are risks of technical integrity failure as well as risk of natural disasters and other adverse conditions in many of the areas in which the company operates which could lead to loss of containment of hydrocarbons and other hazardous material, as well as the risk of fires, explosions or other incidents

The company's operations are often conducted in difficult or environmentally sensitive locations, in which the consequences of a spill, explosion, fire or other incident could be greater than in other locations These operations are subject to various environmental and safety laws, regulations and permits and the consequences of failure to comply with these requirements can include remediation obligations, penalties, loss of operating permits and other sanctions Accordingly inherent in the company's operations is the risk that if it fails to abide by environmental and safety and protection standards, such failure could lead to damage to the environment and could result in regulatory action, legal liability, material costs and damage to the company's reputation or licence to operate

BP KAPUAS I LIMITED

REPORT OF THE DIRECTORS

Principal risks and uncertainties (continued)

Safety and operational risks (continued)

Process safety, personal safety and environmental risks (continued)

BP's group-wide operating management system (OMS) intends to address health, safety, security, environmental and operations risks, and to provide a consistent framework within which the group can analyse the performance of its activities and identify and remediate shortfalls There can be no assurance that OMS will adequately identify all process safety, personal safety and environmental risk or provide the correct mitigations, or that all operations will be in conformance with OMS at all times

Going concern

The directors consider it appropriate to prepare the accounts on a going concern basis because since the balance sheet date the company received an injection of cash from its immediate parent of $8,889,000

Post balance sheet events

After the balance sheet date, 8,889,000 ordinary shares of $1 each for a total nominal value of $8,899,000 were allotted to the immediate parent company at par value

In May 2013, The Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKKMIGAS) granted final approval for the transfer of all of BP's participating interests in the Kapuas I CBM PSC to PT Sugico Graha

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 KAPUAS I 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

22 July 2013

Registered Office

Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

BP KAPUAS I 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

BP KAPUAS I LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BP KAPUAS I LIMITED

We have audited the financial statements of BP Kapuas I 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 14 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 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

Paul Wallek (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London
25 July 2013

BP KAPUAS I LIMITED

ACCOUNTING POLICIES

Accounting standards

The financial statements of BP Kapuas I Limited were approved for issue by the Board of Directors on 15 JULY 2013

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

In addition to the requirements of accounting standards, the accounting for exploration and production activities is governed by the Statement of Recommended Practice ('SORP') 'Accounting for Oil and Gas Exploration, Development, Production and Decommissioning Activities' issued by the UK Oil Industry Accounting Committee on 7 June 2001

Accounting convention

The accounts are prepared under the historical cost convention.

Basis of preparation

At 31 December 2012 the company's balance sheet had total net liabilities amounting to $8,888,279

The directors consider it appropriate to prepare the accounts on a going concern basis because since the balance sheet date the company received an injection of cash from its immediate parent of $8,889,000

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

Intangible assets

Intangible assets include expenditure on the exploration for and evaluation of oil and natural gas resources, computer software, patents, licences, trademarks and product development costs Product development costs are capitalised as intangible assets when a project has obtained sanction and the future recoverability of such costs can reasonably be regarded as assured

Intangible assets are not depreciated The indefinite life of intangible assets is reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively

The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable To the extent that the carrying amount exceeds the recoverable amount that is, the higher of net realisable value and value in use, the asset is written down to its recoverable amount The value in use is determined from estimated discounted future net cash flows

BP KAPUAS I LIMITED

ACCOUNTING POLICIES

Licence and property acquisition costs

Exploration licence and property leasehold acquisition costs are initially capitalised within intangible fixed assets Upon determination of economically recoverable reserves ('proved reserves' or 'commercial reserves'), the costs are aggregated with exploration expenditure and held on a field-by-field basis as proved properties awaiting approval within intangible assets When development is sanctioned, the relevant expenditure is transferred to tangible production assets

Each property is reviewed on an annual basis to confirm that drilling activity is planned and the property is not impaired If no future activity is planned, the remaining balance of the licence and property acquisition costs is written off

Exploration expenditure

Geological and geophysical exploration costs are charged against income as incurred Costs directly associated with an exploration well are capitalised as an intangible asset until the drilling of the well is complete and the results have been evaluated These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors If hydrocarbons are not found, the exploration expenditure is written off as a dry hole If hydrocarbons are found and, subject to further appraisal activity, which may include the drilling of further wells, are likely to be capable of commercial development, the costs continue to be carried as an asset All such carried costs are subject to regular technical, commercial and management review to confirm the continued intent to develop or otherwise extract value from the discovery When this is no longer the case, the costs are written off When proved reserves of oil and natural gas are determined and development is sanctioned, the relevant expenditure is transferred to tangible production assets

Impairment of intangible assets

The company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication of impairment exists or when annual impairment testing for an asset group is required, the company makes an estimate of its recoverable amount An asset group's recoverable amount is the higher of its net realisable value and its value in use Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased If such indication exists, the recoverable amount is estimated A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years Such reversal is recognised in profit or loss. After such a reversal, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life

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

BP KAPUAS I LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012	2011
		$	$
Exploration expenses	5	(2,260,653)	(525,879)
Administration expenses		(8,678)	(18,075)
Loss on termination of operations	2	(6,074,999)	-
Loss before taxation		(8,344,330)	(543,954)
Taxation	3	-	-
Loss for the year		(8,344,330)	(543,954)

The loss of $8,344,330 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 losses attributable to the shareholders of the company other than the loss for the year

BP KAPUAS I LIMITED
(Registered No. 04511913)
BALANCE SHEET AT 31 DECEMBER 2012

	Note	2012 $	2011 $
Fixed asset			
Intangible asset	5	-	1,200,000
Current assets			
Debtors	6	6	75,005
Cash at bank and in hand		421,322	-
Creditors: amounts falling due within one year	7	(9,309,607)	(1,818,954)
Net current liabilities		(8,888,279)	(1,743,949)
TOTAL ASSETS LESS CURRENT LIABILITIES		(8,888,279)	(543,949)
NET LIABILITIES		(8,888,279)	(543,949)
Represented by			
Capital and reserves			
Called up share capital	8	5	5
Profit and loss account	9	(8,888,284)	(543,954)
SHAREHOLDER'S DEFICIT – EQUITY INTERESTS		(8 888,279)	(543,949)

On behalf of the Board

J S Blythe
Director

22 July 2013

BP KAPUAS I LIMITED

NOTES TO THE ACCOUNTS

1. Auditor's remuneration

	2012	2011
	$	$
Fees for the audit of the company	8,863	6,684

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 Kapuas I Limited's ultimate parent, BP p.l.c., are required to disclose non-audit fees on a consolidated basis

2. Exceptional items

	2012	2011
	$	$
Loss on termination of operations	6,074,999	-

Exceptional items comprise the loss on termination of operations The loss on termination of operations of $6,074,999, arose in 2012 due to an exit fee on the company's decision to exit from the Kapuas I CBM PSC Final regulatory approval was obtained in May 2013 and the company has fully exited the PSC

3. 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

	2012	2011
	$	$
Loss before taxation	8,344,330	543,954
Effective current tax rate	0%	0%

	2012	2011
	%	%
UK statutory corporation tax rate	24	26
Decrease resulting from		
Tax losses unused	-	(26)
Fixed asset timing differences	(3)	-
Non-deductible expenditure / non-taxable income	(21)	-
Effective current tax rate	-	-

BP KAPUAS I LIMITED

NOTES TO THE ACCOUNTS

4. 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

(b) Employee costs

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

5. Intangible Assets

	Licences
	$
Cost	
At 1 January 2012 and 31 December 2012	1,200,000
Amortisation	
At 1 January 2012	-
Impairment	(1,200,000)
At 31 December 2012	(1,200,000)
Net book value	
At 31 December 2012	-
At 31 December 2011	1,200,000

6. Debtors

	2012	2011
	Within 1 year	Within 1 year
	$	$
Amounts owed by group undertakings	5	5
Other debtors	1	75,000
	6	75,005

7. Creditors

	2012	2011
	Within 1 year	Within 1 year
	$	$
Amounts owed to group undertakings	4,826,108	1,380,853
Trade creditors	-	189,011
Accruals and deferred income	146,506	249,090
Termination fee	4,333 000	-
Other creditors	3,993	-
	9,309,607	1,818,954

BP KAPUAS I LIMITED

NOTES TO THE ACCOUNTS

8. 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	4	4
1 Ordinary share of $1 each for a total nominal value of $1	1	1
	5	5

9. Capital and reserves

	Called up share capital	Profit and loss account	Total
	$	$	$
At 1 January 2012	5	(543,954)	(543 949)
Loss for the year	-	(8,344,330)	(8,344,330)
At 31 December 2012	5	(8,888,284)	(8,888,279)

10. Reconciliation of movements in shareholder's funds

	2012	2011
	$	$
Loss for the year	(8,344,330)	(543 954)
Issue of ordinary share capital	-	1
Net increase in shareholder's deficit	(8,344,330)	(543 953)
Shareholder's (deficit)/funds at 1 January	(543,949)	4
Shareholder's deficit at 31 December	(8,888,279)	(543,949)

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. Post balance sheet event

After the balance sheet date, 8,889,000 ordinary shares of $1 each for a total nominal value of $8,899,000 were allotted to the immediate parent company at par value

In May 2013, The Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKKMIGAS) granted final approval for the transfer of all of BP's participating interests in the Kapuas I CBM PSC to PT Sugico Graha

BP KAPUAS I LIMITED

NOTES TO THE ACCOUNTS

13. Pensions

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

14. Immediate and ultimate controlling parent undertaking

The immediate parent undertaking is BP Exploration Operating Company Limited 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