

BP OIL LLANDARCY REFINERY LIMITED
(Registered in England and Wales, Number 146560)

ANNUAL REPORT AND ACCOUNTS 2005

Board of Directors: J G Mumford
F J Smith
P J Mather

REPORT OF THE DIRECTORS

The directors present their report and accounts for the year ended 31 December 2005.

Principal activity

The company acts as agent for BP Oil UK Limited in the operations involved with closure of Llandarcy Refinery.

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

Results and dividends

There was neither a profit nor a loss for the financial year ending 31 December 2005 (2004 – £Nil).

The directors do not propose to make a dividend payment for 2005 (2004 – £Nil).

Directors

The present directors are listed above. Changes since 1 January 2005 are as follows:

	<u>Appointed</u>	<u>Resigned</u>
P J Mather	30 December 2005	-



BP OIL LLANDARCY REFINERY LIMITED

REPORT OF THE DIRECTORS (Continued)

Directors' interests

The interests of the directors holding office at 31 December 2005, and their families, in the US\$0.25 ordinary shares of BP p.l.c., were as set out below:

	<u>31 December 2005</u>	<u>1 January 2005 (or date of appointment)</u>
J G Mumford	89,395	92,646
P J Mather	59,952	59,952
F J Smith	13,291	15,335

In addition, rights to subscribe for US\$0.25 ordinary shares in BP p.l.c. were granted to, or exercised by, those directors between 1 January 2005 and 31 December 2005 as follows:

	<u>Granted</u>	<u>Exercised</u>
J G Mumford	-	-
P J Mather	-	-
F J Smith	4,000	-

No director had any interest in the shares or debentures of subsidiary undertakings of BP p.l.c. at 31 December 2005.

Auditors

Ernst & Young LLP will continue in office as the company's auditor in accordance with the elective resolution passed by the company under Section 386 of the Companies Act 1985.

By order of the Board



Assistant

Secretary

24 July

2006

Registered Office:

Chertsey Road
Sunbury upon Thames
Middlesex
TW16 7BP
England

BP OIL LLANDARCY REFINERY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for taking reasonable steps to safeguard the assets of the company and to prevent and detect 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BP OIL
LLANDARCY REFINERY LIMITED

We have audited the company's accounts for the year ended 31 December 2005, which comprise the accounting policies, the Profit and Loss Account, Balance Sheet, and the related notes 1 to 7. These accounts have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 December 2005 and of the result of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
London
29 July 2006

BP OIL LLANDARCY REFINERY LIMITED
ACCOUNTING POLICIES

Accounting Standards

These accounts are prepared in accordance with applicable UK accounting standards.

Accounting Convention

These accounts are prepared under the historical cost convention.

Statement of cash flows

The Group financial statements 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.

Related party transactions

The company has taken advantage of the exemption contained within FRS 8, and has not disclosed transactions with group companies. There were no other related party transactions in the year.

Company Activity

The company acts as an agent for BP Oil UK Limited in the operations involved with the closure of Llandarcy Refinery.

BP OIL LLANDARCY REFINERY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

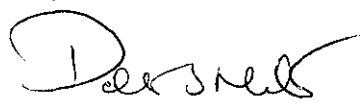
	Note	<u>2005</u> £	<u>2004</u> £
Turnover	1	-	-
Administration expenses		-	-
Result before taxation		-	-
Taxation	4	-	-
Result for the year		-	-
Distribution to shareholders		-	-
Retained Result for the year	6	-	-

There are no recognised gains or losses attributable to the shareholders of the company (2004-£Nil).

BALANCE SHEET AS AT 31 DECEMBER 2005

	Note	<u>2005</u> £	<u>2004</u> £
Current Assets			
Debtors – amounts falling due within one year		200,000	200,000
Parent undertaking		-	-
SHAREHOLDERS' INTEREST		200,000	200,000
Represented by:			
Capital and reserves			
Called up share capital	5	200,000	200,000
SHAREHOLDERS' FUNDS – EQUITY INTERESTS		200,000	200,000

By order of the Board


Director

24 July 2006

BP OIL LLANDARCY REFINERY LIMITED

NOTES TO THE ACCOUNTS

1. Turnover

There was no turnover for the year ended 31 December 2005 (2004 – £Nil).

2. Directors

The directors were senior executives of, and were remunerated by, another subsidiary of BP p.l.c. and received no fees or remuneration for services as directors to this company in 2005 (2004 - £Nil).

3. Auditors

Auditor's remuneration is dealt with in the accounts of the parent undertaking. No fees were paid to the auditors for other services.

4. Taxation

No corporation tax liability arises.

5. Called up share capital

	<u>2005</u>	<u>2004</u>
Authorised, allotted, called up and fully paid:	£	£
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

6. Reconciliation of shareholders' funds and movements on reserves

	<u>Called up</u> <u>share capital</u>	<u>P&L</u> <u>Account</u>	<u>Total</u>
	£	£	£
At 1 January 2004	200,000	-	200,000
Result for the year	-	-	-
At 1 January 2005	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Result for the year	-	-	-
At 31 December 2005	<u>200,000</u>	<u>-</u>	<u>200,000</u>

BP OIL LLANDARCY REFINERY LIMITED

NOTES TO THE ACCOUNTS

7. Ultimate parent undertaking

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 p.l.c., a company registered in England and Wales. Copies of BP p.l.c.'s accounts can be obtained from 1, St James's Square, London, SW1Y 4PD.