

BP Solar Holdings Limited

Registered No. 2515099

DIRECTORS

B R R Butler

D J Shah

SECRETARY

B Peevor

AUDITORS

Ernst & Young

Rolls House

7 Rolls Buildings

Fetter Lane

London

EC4A 1NH

REGISTERED OFFICE

BP House

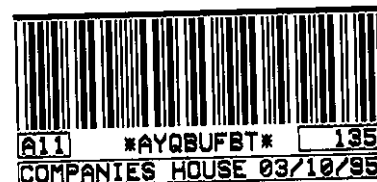
Breakspear Way

Hemel Hempstead

Hertfordshire

HP2 4UL

ERNST & YOUNG



DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 31 December 1994.

RESULTS AND DIVIDENDS

During the year the company has not traded and there has been no income or expenditure. Any expenses have been met by the parent undertaking.

PRINCIPAL ACTIVITY

The company acts as a holding company. It is currently in the process of purchasing at net book value from other BP Solar group companies their interests in the share capitals of BP Solar Arabia Limited (49%), Tata BP Solar India Limited (51%), and BP Thai Solar Corporation Limited (49%). It is then intended that the company will reduce its holding in BP Solar Arabia Limited to 40%.

DIRECTORS AND THEIR INTEREST

The present directors are listed on page 1.

The directors who served during the year were as follows:

B R R Butler
D J Shah

The interest of the directors holding office at 31 December 1994, and their families, in the 25p ordinary shares of The British Petroleum Company p.l.c. were as set out below:

	31 December 1994	1 January 1994
B R R Butler	91,156	96,132
D J Shah	10,238	9,474

In addition rights to subscribe for 25p ordinary shares in The British Petroleum Company p.l.c. were granted to, or exercised by, those directors between 1 January and 31 December 1994 as follows:

	Granted	Exercised
B R R Butler	Nil	34,000
D J Shah	12,000	Nil

No director had any interest in shares or debentures of subsidiary undertakings of The British Petroleum Company plc at 31 December 1994.

INSURANCE

Pursuant to Section 310 of the Companies Act 1985, for the year ended 31 December 1994, policies of insurance have been purchased and maintained by the ultimate parent undertaking for the directors and officers of the company against the financial consequences of actions brought against them by outside parties for their acts or omissions in the performance of their duties as directors and officers of the company.

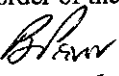
BP Solar Holdings Limited

DIRECTORS' REPORT

AUDITORS

In accordance with Section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually and Ernst & Young continue in office.

By order of the board


Secretary - (B. Pever)

24 August 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

REPORT OF THE AUDITORS
to the members of B P Solar Holdings Limited

We have audited the accounts on pages 6 to 8, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

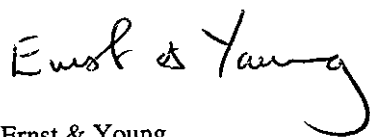
Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 31 December 1994 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
London

24 August 1995

BP Solar Holdings Limited

BALANCE SHEET

at 31 December 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Investments	3	8,509,000	7,500,000
CURRENT ASSETS			
Debtors due within one year:			
Fellow subsidiary undertaking		1,491,000	—
SHAREHOLDERS' INTEREST		<u>10,000,000</u>	<u>7,500,000</u>
 Represented by:			
CAPITAL AND RESERVES			
Called up share capital	5	<u>10,000,000</u>	<u>7,500,000</u>

D. J. Smith

Director

(D. J. SMITH)

24 August 1995

BP Solar Holdings Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention in accordance with applicable UK accounting standards.

Under the provisions of section 228(2) of the Companies Act 1985 the company is exempt from the requirement to prepare group accounts.

As the ultimate undertaking has published a group cash flow statement in compliance with Financial Reporting Standard No. 1, a cash flow statement is not presented in these accounts.

Pensions

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

2. DIRECTORS AND EMPLOYEES

None of the directors received any fees or remunerations from this company.

3. INVESTMENTS

Shares in subsidiary undertakings:

	£
Cost:	
At 1 January 1994	7,500,000
Additions	1,009,000
At 31 December 1994	<u>8,509,000</u>

	Percentage held	Country of incorporation	Principal activities	Type of share
Subsidiary undertakings:				
BP Solar Australia Pty Limited	100%	Australia	Manufacture and marketing solar equipment	Ordinary
BP Solar Espana SA	100%	Spain	Manufacture and marketing solar equipment	Ordinary

During the year the company increased its investment in BP Solar Espana SA.

In the opinion of the directors, the value of shares in the company's subsidiary undertakings, which are unlisted, are not less than the amounts at which these are shown in the balance sheet.

BP Solar Holdings Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

4. DEBTORS: amounts falling due within one year

	1994	1993
	£	£
Fellow subsidiary undertaking	1,491,000	-

5. CALLED UP SHARE CAPITAL

	1994	Authorised	1994	Allotted, called up and fully paid
	No.	1993	£	1993
		No.		£
Ordinary shares of £1 each	10,000,000	7,500,000	10,000,000	7,500,000

During the year the company increased its share capital by the issuing of 2,500,000 ordinary shares of £1 each.

6. POST BALANCE SHEET EVENTS

The company has purchased at net book value from other BP Solar group companies their interests in the share capitals of BP Solar Arabia Limited (49%), Tata BP Solar India Limited (51%), and BP Thai Solar Corporation Limited (49%). It is then intended that the company will reduce its holding in BP Solar Arabia Limited to 40%.

7. ULTIMATE PARENT UNDERTAKING

Any expenses have been met by the 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 The British Petroleum Company p.l.c., a company registered in England and Wales. Copies of The British Petroleum p.l.c.'s accounts may be obtained from Britannic House, 1 Finsbury Circus, London EC2M 7BA.