

# **BP POWER TRADING LIMITED**

(Registered No. SC107896)

## **ANNUAL REPORT AND ACCOUNTS 2009**

Board of Directors: S P Cattle

### **REPORT OF THE DIRECTOR**

The director presents his report and accounts for the year ended 31 December 2009.

#### **Results and dividends**

The profit for the year after taxation was £nil which, with no retained profit brought forward at 1 January 2009. This gives a total retained profit carried forward at 31 December 2009 of £Nil.

The company has not declared any dividends during the year (2008: £Nil). The directors do not propose the payment of a dividend.

#### **Principal activity and review of the business**

The company is engaged in the purchasing and selling of power.

No applicable 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.

Company level risks have been identified and classified as financial risk management and compliance and ethics.

#### **Financial risk management**

The main financial risk faced by the company through its normal business activities is market risk. The management of this financial risk is performed at BP Group level.

#### ***Market risk***

Market risk is 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.

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## **BP POWER TRADING LIMITED**

### **REPORT OF THE DIRECTOR**

#### **Compliance and ethics risks**

##### ***Reporting***

External reporting of financial and non-financial data is reliant on the integrity of systems and people. Failure to report data accurately and in compliance with external standards could result in regulatory action, legal liability and damage to our reputation.

#### **Future developments**

The director aims to maintain the management policies. He believes that the company is in a good position to take advantage of any opportunities which may arise in the future.

It is the intention of the director that the business of the company will continue for the foreseeable future.

#### **Directors**

The present director is listed on page 1.

There have been no director appointments or resignations since 1 January 2009.

#### **Director indemnity**

The company indemnifies the director in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006.

#### **Policy and practice on payment of creditors**

It is the company's policy to follow the CBI's prompt payment code of practice for all suppliers to the company with payments made in accordance with the relevant contractual payment terms. A copy of the code of practice may be obtained from the CBI.

The number of days' purchases represented by trade creditors at the year-end was nil.

#### **Auditors**

In the absence of a notice proposing that the appointment be terminated, Ernst & Young LLP will be deemed to be re-appointed as the company's auditor for the next year.

**BP POWER TRADING LIMITED**

**REPORT OF THE DIRECTOR**

**Director's statement as to the disclosure of information to the auditor**

The director who was a member of the board at the time of approving the director's report is listed on page 1. Having made enquiries of the company's auditor, the director confirms that:

- To the best of the 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
- The 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



Secretary

Christopher Eng

28 April 2010

Registered Office:

1 Wellheads Avenue  
Dyce  
Aberdeen  
AB21 7PB  
United Kingdom

## **BP POWER TRADING LIMITED**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 director is 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 director is 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 director confirms that he has complied with these requirements and, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, continues to adopt the going concern basis in preparing the accounts.

**BP POWER TRADING LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**BP POWER TRADING LIMITED**

We have audited the company's financial statements for the year ended 31 December 2009 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 13. 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 Director's Responsibilities set out on page 4, the director is 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 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 (APB'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 director; and the overall presentation of the financial statements.

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of the company's result 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's 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*

**W. TESTA** (Senior Statutory Auditor)  
**for and on behalf of Ernst & Young LLP, Statutory Auditor**  
Registered auditor  
London

*30 April* 2010

## **BP POWER TRADING LIMITED**

### **ACCOUNTING POLICIES**

#### **Accounting standards**

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

#### **Accounting convention**

The accounts are prepared under the historical cost convention.

#### **Statement of cash flows**

The group accounts of the ultimate parent undertaking contain a consolidated cash flow statement. The company has taken advantage of the exemption granted by the Financial Reporting Standard No. 1 (Revised), whereby it is not required to publish its own cash flow statement.

#### **Revenue recognition**

Revenue arising from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts, customs duties and sales taxes.

#### **Interest**

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

#### **Trade and other debtors**

Trade and other debtors are carried at the original invoice amount, less allowances made for doubtful receivables. Provision is made when there is objective evidence that the company will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

#### **Trade and other creditors**

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

**BP POWER TRADING LIMITED**

**PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	<u>2009</u> £	<u>2008</u> £
Turnover	1	98,018	93,191
Cost of Sales		<u>(95,721)</u>	<u>(90,378)</u>
Gross Profit		2,297	2,813
Administration expenses		<u>(2,260)</u>	<u>(2,416)</u>
Profit on ordinary activities before investment income, interest and tax		37	397
Interest payable and similar charges	3	(37)	(397)
Profit before taxation		<u>-</u>	<u>-</u>
Taxation	4	-	-
Profit for the year		<u>-</u>	<u>-</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**


There are no recognised gains or losses attributable to the shareholders of the company for the year ended 31 December 2009 (2008: £Nil).

**BP POWER TRADING LIMITED**  
**(Registered No.SC107896)**

**BALANCE SHEET AT 31 DECEMBER 2009**

	Note	<u>2009</u> £	<u>2008</u> £
<b>Current assets</b>			
Debtors	6	2,371	2,901
<b>Creditors: amounts falling due within one year</b>	7	<u>(2,271)</u>	<u>(2,801)</u>
<b>Net current assets</b>		<u>100</u>	<u>100</u>
<b>NET ASSETS</b>		<u>100</u>	<u>100</u>
<b>Represented by</b>			
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account	9	<u>-</u>	<u>-</u>
<b>SHAREHOLDERS' FUNDS – EQUITY INTERESTS</b>		<u>100</u>	<u>100</u>

On behalf of the Board

  
 Director

Simon Cattle

28 April 2010



# **BP POWER TRADING LIMITED**

## **NOTES TO THE ACCOUNTS**

### **1. Turnover**

Turnover, which is stated net of value added tax, represents amounts invoiced to related parties.

The country of origin and destination is substantially the UK geographic area.

Turnover is attributable to one continuing activity, the purchasing and selling of power.

### **2. Auditor's remuneration**

	<u>2009</u>	<u>2008</u>
	£	£
Fees for the audit of the company	<u>2,260</u>	<u>2,416</u>

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

### **3. Interest payable and similar charges**

	<u>2009</u>	<u>2008</u>
	£	£
Interest expense on:		
Loans from group undertakings	<u>(37)</u>	<u>(397)</u>

### **4. Taxation**

The Company is a member of a group for the purposes of relief under Section 402 of the Income & Corporation Taxes Act 1988. No corporation tax has been provided because another group company, BP International Limited, has undertaken to procure the claim or surrender of group relief to the extent it is required and to provide for any current or deferred tax that arises without charge.

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

	<u>2009</u>	<u>2008</u>
	£	£
Profit before taxation	-	-
Current taxation	-	-
Effective current tax rate	<u>0%</u>	<u>0%</u>

**BP POWER TRADING LIMITED**

**NOTES TO THE ACCOUNTS**

**5. Directors and employees**

**(a) Remuneration of director**

The sole director did not receive any fees or remuneration for services as a director of the company during the financial year (2008: £Nil).

**(b) Employee costs**

The company had no employees during the year (2008: Nil).

**6. Debtors**

	<u>2009</u>	<u>2008</u>
	Within	Within
	1 year	1 year
	£	£
Amounts owed by group undertakings	2,296	2,813
Other debtors	75	88
	<u>2,371</u>	<u>2,901</u>

**7. Creditors**

	<u>2009</u>	<u>2008</u>
	Within	Within
	1 year	1 year
	£	£
Amounts owed to group undertakings	<u>2,271</u>	<u>2,801</u>

**8. Called up share capital**

	<u>2009</u>	<u>2008</u>
	£	£
Allotted and called up:		
100 Ordinary shares of £1 each for a total nominal value of £100	<u>100</u>	<u>100</u>

**BP POWER TRADING LIMITED**

**NOTES TO THE ACCOUNTS**

**9. Capital and reserves**

	Equity share capital	Profit and loss account	Total
	£	£	£
At 1 January 2009	100	-	100
Profit for the year	-	-	-
At 31 December 2009	100	-	100

**10. Reconciliation of movements in shareholders' funds**

	2009	2008
	£	£
Profit for the year	-	-
Net increase in shareholders' interests	-	-
Shareholders' interest at 1 January	100	100
Shareholders' interest at 31 December	100	100

**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. Pensions**

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

**13. Immediate and ultimate parent undertaking**

The immediate parent undertaking of this company BP International Limited, a company registered in England and Wales. The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is BP 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.