BP ENERGY EUROPE LIMITED
(Registered No.SC107896)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2019

Board of Directors: A L Vinuesa
R J Harrison
J K Tate

The directors present the strategic report, their report and the audited financial statements for the year ended 31 December 2019.

STRATEGIC REPORT

Results

The profit for the year after taxation was €29,166,461 which, when added to the accumulated loss brought forward at 1 January 2019 of €35,633,879, gives a total accumulated loss carried forward at 31 December 2019 of €6,467,418.

Principal activities and review of the business

At the start of the year, the company's principal activity was the trading of gas in Europe. It was also engaged in the purchasing and selling of power in the UK and Europe.

During the year the company discontinued its operations and has ceased to trade. The cessation of trade caused the going concern assumption to be revoked for the 2018 accounts and the accounts were prepared on a basis other than that of a going concern. The 2019 accounts have been prepared on the same basis. The balance sheet position at the year end remained with no modifications other than moving all non-current assets and liabilities to current assets and liabilities. All the open positions and trades were settled in the general course of business and the open derivatives at 30 June 2019 were novated to BP Gas Marketing Limited at fair value.

The key financial and other performance indicators during the year were as follows:

	2019	2018	Variance
	€	€	%
Turnover	467,575,234	823,760,060	(43)
Operating profit	30,173,473	3,835,628	687
Profit for the year	29,166,461	1,016,387	2,770
Total equity	61,990,374	32,823,913	89

	2019	2018	Variance
	%	%	
Quick ratio	181	119	62

*Quick ratio is defined as current assets (excluding stocks, debtors falling due after one year, derivatives and other financial instruments falling due after one year and deferred tax assets) divided by current liabilities.

The decrease in turnover in 2019 has arisen from the transfer of the remaining Italian activity to BP Gas Marketing Limited and the cessation of trade from 1st July 2019. The increase in total equity is attributable to the profit for the year.

The rise in the quick ratio is mainly attributed to a decrease in trade creditors following the cessation of trade.

Section 172 (1) statement

In governing the company on behalf of its shareholders and discharging their duties under section 172, the board has had regard to the factors set out in section 172 (see below) and other factors which the board considers appropriate.

Section 172 factors

Section 172 requires directors to have regard to the following in performing their duties, and as part of the process are required to consider, where relevant:

a. The likely long-term consequences of the decision.
b. The interests of the company's employees.
c. The need to foster the company's business relationships with suppliers, customers and others.
d. The impact of the company's operations on the community and the environment.
e. The desire to maintain the company's reputation for high standards of business conduct.
f. The need to act fairly between members of the company.

To support the directors in the discharge of their duties, and whilst making a decision on behalf of the company, the directors have access to functional assurance support to identify matters which may have an impact on the proposed decision including, where relevant, section 172 factors as outlined above.

The principal decisions taken by the directors during the year included the decision to sell the business undertaken by the branch in Italy to BP Gas Marketing Limited, for consideration of EUR €67,000,000 with the exact consideration amount to be fixed following the completion of an external valuation The relevant factors taken into account during the decision making process, in furtherance of the company's purpose, were to ensure a strategic long term solution to simplify the business.

Matters identified that may affect the company's performance in the long term are set out in the principal risks disclosed in the strategic report below.

The company has engaged with key stakeholders and the outcome from such engagement has been considered by the directors during the decision making process where appropriate. Refer to the directors report on stakeholder engagement.

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 for the BP group.

The risks listed below, separately or in combination, could have a material adverse effect on the implementation of the company's strategy, business, financial performance, results of operations, cash flows, liquidity, prospects, shareholder value and returns and reputation. Unless stated otherwise, further details on these risks are included within the risk factors in the strategic report of the BP group Annual Report and Form 20-F for the year ended 31 December 2019.

The company has ceased to trade on 30 June 2019, with all the open contracts being novated to BP Gas Marketing Limited at fair value.

The Directors are of the view that the preparation of the financial statements on a basis other than that of a going concern is appropriate, to reflect the wind-down status of the Company and present the Company's net asset value accordingly. The financial statements should reflect the circumstances existing at the end of the reporting period and as the company has ceased to trade on 30 June 2019, it no longer meets the going concern assertion.

Reporting on a basis other than that of a going concern entails writing assets down to their net realisable value based on conditions existing at the end of the reporting period and providing for contractual commitments which may have become onerous as a consequence of the decision to wind down the entity.

Strategic and commercial risks

Prices and markets
The company's financial performance is subject to fluctuating prices of gas and refined products, technological change, exchange rate fluctuations and the general macroeconomic outlook. Political developments, increased supply of oil and gas or low carbon energy sources, technological change, global economic conditions, public health situations and the influence of OPEC can impact supply and demand and prices for our products.

Geopolitical
The company is exposed to a range of political developments and consequent changes to the operating and regulatory environment may disrupt or curtail the company's operations or development activities. These may in turn cause production to decline, limit the company's ability to pursue new opportunities, affect the recoverability of our assets or cause us to incur additional costs. Political developments may include international sanctions, expropriation or nationalization of property, civil strife, strikes, insurrections, acts of terrorism or war and public health situations (including an outbreak of an epidemic or pandemic).

The impact of the UK's exit from the EU
BP have been assessing the potential impact on the group of Brexit and the UK's future global relationships. BP have been considering different outcomes but do not believe any of these outcomes pose a significant risk to the business. The BP board's geopolitical committee continues to monitor these developments.

Liquidity, financial capacity and financial, including credit, exposure
Failure to work within the financial framework set by the BP group could impact the company's ability to operate and result in financial loss.

Digital infrastructure and cybersecurity
Breach of the company's digital security or failure of its digital infrastructure could damage its operations and reputation.

Climate change and the transition to a lower carbon economy
Policy, legal, regulatory, technology and market developments related to the issue of climate change could increase costs, reduce demand for our products, reduce revenue and limit certain growth opportunities.

Competition
Inability to remain efficient, maintain a high-quality portfolio of assets, innovate and retain an appropriately skilled workforce could negatively impact delivery of the company's strategy in a highly competitive market.

Crisis management and business continuity
Potential disruption to the company's business and operations could occur if it does not address an incident effectively.

Insurance
The BP group's insurance strategy could expose the BP group to material uninsured losses which in turn could adversely affect the company.

Safety and operational risks

Process safety, personal safety and environmental risks
The company is exposed to a wide range of health, safety, security and environmental risks that could cause harm to people, the environment, the company's assets and result in regulatory action, legal liability, business interruption, increased costs, damage to its reputation and potentially denial of its licence to operate.

Security
Hostile acts against the company's staff and activities could cause harm to people and disrupt its operations.
Product quality
Supplying customers with off-specification products could damage the company's reputation, lead to regulatory action and legal liability, and potentially impact its financial performance.

Compliance and control risks

Ethical misconduct and non-compliance
Ethical misconduct or breaches of applicable laws by the company's businesses or its employees could be damaging to its reputation, and could result in litigation, regulatory action and penalties.

Regulation
Changes in the regulatory and legislative environment could increase the cost of compliance and affect the company's provisions.

Treasury and trading activities
Ineffective oversight of treasury and trading activities could lead to business disruption, financial loss, regulatory intervention or damage to the company's reputation.

Reporting
Failure to accurately report the company's data could lead to regulatory action, legal liability and reputational damage.

Financial risk management

The company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risks relating to commodity prices, foreign currency exchange rates and interest rates; credit risk; and liquidity risk. Further details on these financial risks are included within Note 29 of the BP group Annual Report and Form 20-F for the year ended 31 December 2019.

Authorized for issue by Order of the Board

DocuSigned by:
EThomas
02DC0B592A9A4A4...
20 November 2020

For and on behalf of
Sunbury Secretaries Limited
Company Secretary

Registered Office:

1 Wellheads Avenue
Dyce
Aberdeen
AB21 7PB
United Kingdom

DIRECTORS' REPORT

BP ENERGY EUROPE LIMITED

Directors

The present directors are listed on page 1.

There have been no director appointments or resignations since 1 January 2019.

Directors' indemnity

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006. Such qualifying third party indemnity provisions for the benefit of the company's directors remain in force at the date of this report.

Dividends

The company has not declared any dividends during the year (2018 €Nil). The directors do not propose the payment of a dividend.

Financial instruments

In accordance with section 414C of the Companies Act 2006 the directors have included information regarding financial instruments as required by Schedule 7 (Part 1.6) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the strategic report under Financial risk management.

Post balance sheet event

Since 31 December 2019, oil and gas prices have fallen sharply in large part due to the impact of the international spread of COVID-19 (Coronavirus) and geopolitical factors. The impact of COVID-19 and the current economic environment on the basis of preparation of these financial statements has been considered. Further details are provided under Going Concern below. This is a non-adjusting event for the financial statements for the period ending 31 December 2019.

Going concern

The directors have assessed the prospects of the company over a period of at least 12 months. The directors have considered expectations of the position and performance of the company over this period, taking account of its short-term and longer-range plans. Taking into account the company's current position and its principal risks on pages 1-4, the directors have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over at least the next 12 months.

During the year the company discontinued its operations and has ceased to trade. The cessation of trade caused the going concern assumption to be revoked for the 2018 accounts and the accounts were prepared on a basis other than that of a going concern. The 2019 accounts have been prepared on the same basis. The balance sheet position at the year end remains with no modifications other than moving all non-current assets and liabilities to current assets and liabilities. All the open positions and trades were settled in the general course of business and all the open derivatives at 30 June 2019 were novated to BP Gas Marketing Limited at fair value.

Liquidity and financing is managed within BP under pooled group-wide arrangements which include the company. As part of assuring the going concern basis of preparation for the company, the ability and intent of the BP group to support the company has been taken into consideration. The BP group financial statements continue to be prepared on a going concern basis. Forecast liquidity extending at least twelve months from the date of approval of these financial statements has been assessed at a group level under a number of scenarios and a reverse stress test performed to support the group's going concern assertion. In addition, group management of BP have confirmed that the existing intra-group funding and liquidity arrangements as currently constituted are expected to continue for the foreseeable future, being no less than twelve months from the approval of these financial statements.

In assessing the prospects of BP Energy Europe, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty.

The directors believe that the company is no longer a going concern, but the company remains in a net asset position and has the ability to meet all the company's liabilities as they fall due. It is the intention of the directors that the company will remain open until the settlement of the discontinued operations is completed. The financial statements have been prepared on a basis other than going concern.

Future developments

The directors aim to maintain the management policies which have resulted in the company's stability in recent years. Despite the novation of all the contracts to BP Gas Marketing Limited the company remains solvent. They believe that the company is no longer a going concern, but the company remains in a net asset position and has the ability to meet all the company's liabilities as they fall due. The branch will remain open and it is the intention of the directors that the company will remain open until the settlement of the discontinued operations is completed.

Branches

The company has an overseas branch in Italy, which is a European Union member state. The directors made the decision sell the business undertaken by the branch in Italy to BP Gas Marketing Limited and the company has ceased to trade on 30 June 2019.

Stakeholder statement

Engagement with other stakeholders

The company aims to build enduring relationships with governments, customers, partners, suppliers and communities in the countries where it operates. The company works with its business partners in an honest, respectful and responsible way and seeks to work with others who share the company's commitments to safety and ethics and compliance.

The company's activities affect a wide variety of individuals and organizations. The company engages with these stakeholders and listens to their differing needs and priorities as an everyday part of its business and uses the input and feedback to inform its decision making process.

On behalf of the company, the BP group participates in industry associations that offer opportunities to share good practices and collaborate on issues of importance. Additionally, the BP group works with governments on a range of issues that are relevant to its business, from regulatory compliance, to understanding tax liabilities, to collaborating on community initiatives.

The BP group seeks to engage with customers through social media, focus groups and in-depth interviews with customers to better understand customer's needs and seek their feedback.

Feedback from such engagement has been considered by the directors during the decision making process where relevant.

DIRECTORS' REPORT

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 the auditor's 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.

This confirmation is given and should be interpreted in accordance with s418 of the Companies Act 2006.

Authorized for issue by Order of the Board

DocuSigned by:
CThomas
02DC0B592A9A4A4... 20 November 2020
For and on behalf of
Sunbury Secretaries Limited
Company Secretary

Registered Office:

1 Wellheads Avenue
Dyce
Aberdeen
AB21 7PB
United Kingdom

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

BP ENERGY EUROPE LIMITED

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable UK 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) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 financial statements, 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. Details of the directors' assessment of going concern are provided in the directors' report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BP ENERGY EUROPE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of BP Energy Europe Limited(the company):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Financial statements prepared other than that of a going concern basis

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have/has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.

DocuSigned by:
Rizwan Majid
4AC5F4E43FEF4BC...

Rizwan Majid, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP, Statutory Auditor
London, UK 20 November 2020

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

BP ENERGY EUROPE LIMITED

	Note	2019	2018 (restated)
		€	€
Turnover	3	467,575,234	823,760,060
Cost of sales		(395,707,354)	(719,178,023)
Gross profit		71,867,880	104,582,037
Distribution and marketing expenses		(31,735,619)	(94,782,193)
Administrative expenses		(3,858,788)	(4,536,595)
Loss on sale or termination of operations		(6,100,000)	(1,427,621)
Operating profit	4	30,173,473	3,835,628
Interest receivable and similar income	6	12,606	20,365
Interest payable and similar expenses	7	(326,586)	(891,111)
Profit before taxation		29,859,493	2,964,882
Taxation	8	(693,032)	(1,948,495)
Profit for the year		29,166,461	1,016,387

The profit of €29,166,461 for the year ended 31 December 2019 was derived in its entirety from discontinued operations.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

BP ENERGY EUROPE LIMITED

There is no comprehensive income attributable to the shareholders of the company other than the profit for the year.

BALANCE SHEET

AT 31 DECEMBER 2019

BP ENERGY EUROPE LIMITED
(Registered No.SC107896)

	Note	2019 €	2018 (restated) €
Current assets			
Stocks	10	—	4,975,180
Debtors – amounts falling due:			
within one year	11	138,587,085	139,604,033
Derivatives and other financial instruments:			
within one year	13	—	29,859,760
after one year	13	—	846,979
Cash at bank and in hand		248,844	646,577
		138,835,929	175,932,529
Creditors: amounts falling due within one year	12	(76,845,555)	(128,481,892)
Derivatives and other financial instruments due within one year	13	—	(13,966,026)
Derivatives and other financial instruments due after more than one year	13	—	(644,031)
Other provisions	14	—	(16,667)
Net current assets		61,990,374	32,823,913
TOTAL ASSETS LESS CURRENT LIABILITIES		61,990,374	32,823,913
NET ASSETS		61,990,374	32,823,913
Capital and reserves			
Called up share capital	15	68,457,792	68,457,792
Profit and loss account	16	(6,467,418)	(35,633,879)
TOTAL EQUITY		61,990,374	32,823,913

Authorized for issue on behalf of the Board

DocuSigned by:
Robert J Harrison
5A9EF25F62F94CD...

20 November 2020

R J Harrison
Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

BP ENERGY EUROPE LIMITED

	Called up share capital (Note 15)	Profit and loss account (Note 16)	Total
	€	€	€
Balance at 1 January 2018	68,457,792	(36,650,266)	31,807,526
Profit for the year, representing total comprehensive income (restated)	—	1,016,387	1,016,387
Balance at 31 December 2018 (restated)	68,457,792	(35,633,879)	32,823,913
Profit for the year, representing total comprehensive income	—	29,166,461	29,166,461
Balance at 31 December 2019	68,457,792	(6,467,418)	61,990,374

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

BP ENERGY EUROPE LIMITED

1. Authorisation of financial statements and statement of compliance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)

The financial statements of BP Energy Europe Limited for the year ended 31 December 2019 were approved by the board of directors on 20/11/2020 and the balance sheet was signed on the board's behalf by R J Harrison. BP Energy Europe Limited is a private company, limited by shares incorporated, domiciled and registered in Scotland (registered number SC107896). The company's registered office is at 1 Wellheads Avenue, Dyce, Aberdeen, AB21 7PB. These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the provisions of the Companies Act 2006.

2. Significant accounting policies, judgements, estimates and assumptions

The significant accounting policies and critical accounting judgements, estimates and assumptions of the company are set out below.

Basis of preparation

These financial statements have been prepared in accordance with FRS 101. The accounts have been prepared on a basis other than that of a going concern. All balance sheet items have been moved to current and have been presented at the net realisable value as at the end of the reporting period.

The accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to:

(a) the requirements of IFRS 7 Financial Instruments: Disclosures;
(b) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
(c) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
(d) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
(e) the requirements of IAS 7 Statement of Cash Flows;
(f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in relation to standards not yet effective;
(g) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures; and
(h) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
(i) the requirement of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers

Where required, equivalent disclosures are given in the group financial statements of BP p.l.c. The group financial statements of BP p.l.c. are available to the public and can be obtained as set out in Note 20.

The financial statements are presented in euros and all values are rounded to the nearest whole number in euros (€).

NOTES TO THE FINANCIAL STATEMENTS

Significant accounting policies: use of judgements, estimates and assumptions

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual outcomes could differ from the estimates and assumptions used. The accounting judgements and estimates that have a significant impact on the results of the company are set out within the boxed text below, and should be read in conjunction with the information provided in the Notes to the financial statements.

Significant accounting policies

Going concern

The directors have a reasonable expectation that the company has adequate resources to settle its obligations. Due to the cessation of trade, the company no longer meets the definition of a going concern and the financial statements have therefore been prepared on a basis other than that of a going concern.

For further detail on the directors' going concern assessment, please refer to the directors' report.

Foreign currency

The functional and presentation currency of the financial statements is euros. The functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions in foreign currencies are initially recorded in the functional currency by applying the rate of exchange ruling at the date of the transaction. Where this is not practical and exchange rates do not fluctuate materially the average rate has been used. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange on the balance sheet date. Any resulting exchange differences are included in the profit and loss account, unless hedge accounting is applied. Non-monetary assets and liabilities, other than those measured at fair value, are not retranslated subsequent to initial recognition.

Stock

Stocks have been presented at the net realisable value as at the end of the reporting period. Net realizable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal. Net realizable value is determined by reference to prices existing at the balance sheet date, adjusted where the sale of inventories after the reporting period gives evidence about their net realizable value at the end of the period.

Financial assets

Financial assets are recognized initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. Financial assets have been presented at net realisable value at the end of the reporting period. The company derecognizes financial assets when the contractual rights to the cash flows expire or the rights to receive cash flows have been transferred to a third party along with either substantially all of the risks and rewards or control of the asset. This includes the derecognition of receivables for which discounting arrangements are entered into.

Financial liabilities

DTT

At the end of the reporting period, financial liabilities have been presented at the best estimate of the amounts required to settle the obligations.

Derivative financial instruments

The company is exempt from the disclosure requirements of IFRS 7 "Financial Instruments: Disclosures" and IFRS 13 "Fair value measurement" as the company is included in the consolidated financial statements of the ultimate parent undertaking, BP p.l.c., which include the disclosures on a group basis that comply with these standards. Relevant disclosures as required by the Companies Act 2006 in relation to instruments held at fair value have been included in these financial statements.

The company uses derivative financial instruments to manage certain exposures to fluctuations in foreign currency exchange rates, interest rates and commodity prices as well as for trading purposes. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and have subsequently been presented at net realisable value at the end of the reporting period. Derivatives are carried as assets when the net realisable value is positive and as liabilities when the net realisable value is negative.

Contracts to buy or sell a non-financial item (for example oil, oil products, gas and power) that can be settled net in cash or another financial instrument, or by exchanging financial instruments as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the company's expected purchase, sale or usage requirements, are accounted for as financial instruments. Contracts to buy or sell equity investments, including investments in associates, are also financial instruments. Gains or losses arising from changes in the fair value of derivatives that are not designated as effective hedging instruments are recognized in the profit and loss account.

If, at inception of a contract, the valuation cannot be supported by observable market data, any gain or loss determined by the valuation methodology is not recognized in the profit and loss account but is deferred on the balance sheet and is commonly known as 'day-one profit or loss'. This deferred gain or loss is recognized in the profit and loss account over the life of the contract until substantially all the remaining contract term can be valued using observable market data at which point any remaining deferred gain or loss is recognized in the profit and loss account. Changes in valuation from the initial valuation at inception of a contract are recognized immediately through the profit and loss account.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or BP's assumptions about pricing by market participants.

Significant estimate and judgement: derivative financial instruments

In some cases the fair values of derivatives are estimated using internal models due to the absence of quoted prices or other observable, market-corroborated data. This primarily applies to the company's longer-term derivative contracts. The majority of these contracts are valued using models with inputs that include price curves for each of the different products that are built up from available active market pricing data (including volatility and correlation) and modelled using the maximum available external information. Additionally, where limited data exists for certain products, prices are determined using historical and long-term pricing relationships. The use of alternative assumptions or valuation methodologies may result in significantly different values for these derivatives. A reasonably possible change in the price assumptions used in the models relating to index price would not have a material impact on net assets and the profit and loss account primarily as a result of offsetting movements between derivative assets and liabilities. For more information, including the carrying amounts of level 3 derivatives, see Note 13.
In some cases, judgement is required to determine whether contracts to buy or sell commodities meet the definition of a derivative. In particular, longer-term contracts to buy and sell Liquefied Natural Gas ("LNG") are not considered to meet the definition as they are not considered capable of being net settled due to a lack of liquidity in the LNG market and so are accounted for on an accruals basis, rather than as a derivative.

Offsetting of financial assets and liabilities

Financial assets and liabilities are presented gross in the balance sheet unless both of the following criteria are met: the company currently has a legally enforceable right to set off the recognized amounts; and the company intends to either settle on a net basis or realize the asset and settle the liability simultaneously. If both of the criteria are met, the amounts are set off and presented net. A right of set off is the company's legal right to settle an amount payable to a creditor by applying against it an amount receivable from the same counterparty. The relevant legal jurisdiction and laws applicable to the relationships between the parties are considered when assessing whether a current legally enforceable right to set off exists.

Provisions and contingent liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of a past event, 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 appropriate, the future cash flow estimates are adjusted to reflect the risks specific to the liability.

Provisions have been presented at the best estimate of the amounts required to settle the obligations at the end of the reporting period.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Employee benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the company.

Pensions

Contributions to defined contribution plans are recognized in the profit and loss account in the period in which they become payable.

Taxation

Income tax expense represents the sum of current tax and deferred tax.

Income tax is recognized in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or directly in equity.

Current tax is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it is determined in accordance with the rules established by the applicable taxation authorities. It therefore excludes items of income or expense that are taxable or deductible in other periods as well as items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided, using the balance sheet method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

- Where the deferred tax liability arises on the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. An exception is where the deferred tax asset relates to the deductible temporary difference arising from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable or increased to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

Where tax treatments are uncertain, if it is considered probable that a taxation authority will accept the company's proposed tax treatment, income taxes are recognized consistent with the company's income tax filings. If it is not considered probable, the uncertainty is reflected within the carrying amount of the applicable tax asset or liability using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

Customs duties and sales taxes

Customs duties and sales taxes that are passed on or charged to customers are excluded from turnover and expenses. Assets and liabilities are recognized net of the amount of customs duties or sales tax except:

- Customs duties or sales taxes incurred on the purchase of goods and services which are not recoverable from the taxation authority are recognized as part of the cost of acquisition of the asset.

- Receivables and payables are stated with the amount of customs duty or sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included within receivables or payables in the balance sheet.

Turnover

Revenue from contracts with customers is recognized when or as the company satisfies a performance obligation by transferring control of a promised good or service to a customer. The transfer of control of natural gas, natural gas liquids, LNG, and other items usually coincides with title passing to the customer and the customer taking physical possession. The company principally satisfies its performance obligations at a point in time; the amounts of revenue recognized relating to performance obligations satisfied over time are not significant.

When, or as, a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the company expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised.

Contracts for the sale of commodities are typically priced by reference to quoted prices. Revenue from term commodity contracts is recognized based on the contractual pricing provisions for each delivery. Certain of these contracts have pricing terms based on prices at a point in time after delivery has been made. Revenue from such contracts is initially recognized based on relevant prices at the time of delivery and subsequently adjusted as appropriate. All revenue from these contracts, both that recognized at the time of delivery and that from post-delivery price adjustments, is disclosed as revenue from contracts with customers.

Certain contracts entered into by the company that result in physical delivery of products such as natural gas and refined products are required by IFRS 9 to be accounted for as derivative financial instruments. The company's counterparties in these transactions may, however, meet the IFRS 15 definition of a customer. Revenue recognized relating to such contracts when physical delivery occurs is, therefore, measured at the contractual transaction price and presented together with revenue from contracts with customers. Changes in the fair value of derivative assets and liabilities prior to physical delivery are excluded from revenue from contracts with customers and are classified as other operating revenues.

Interest income

Interest income is recognized as the interest accrues using the effective interest rate – that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Finance costs

All finance costs are recognized in the profit and loss account in the period in which they are incurred.

Impact of new International Financial Reporting Standards

The company adopted IFRS 16 'Leases', which replaced IAS 17 'Leases' and IFRIC 4 'Determining whether an arrangement contains a lease', with effect from 1 January 2019. There are no other new or amended standards or interpretations adopted during the year that have a significant impact on the financial statements.

IFRS 16 'Leases'

The adoption of IFRS 16 has had no material impact on the company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

3. Turnover

An analysis of the company's turnover is as follows:

	2019	2018
	€	€
Revenue from contracts with customers	448,152,102	819,142,614
Group gain/(loss) sharing arrangements	(2,141,921)	(10,629,824)
Held for trading gain/(loss)	21,565,053	15,247,270
	467,575,234	823,760,060
Interest receivable and similar income (Note 6)	12,606	20,365
	467,587,840	823,780,425

An analysis of turnover by class of business is set out below:

	2019	2018
	€	€
Class of business:		
Upstream	467,575,234	823,760,060
Total	467,575;234	823,760,060

An analysis of turnover by geographical market is set out below:

	2019	2018
	€	€
By geographical area:		
Europe	467,575,234	823,760,060
Total	467,575,234	823,760,060

4. Operating profit / loss

This is stated after charging:

	2019	2018
	€	€
Net foreign exchange (gains) / losses	(1,021,606)	266,403
Loss on sale or termination of operations*	6,100,000	1,427,621

*The loss on sale or termination of operations arose from selling off gas and power contracts in Italy.

5. Auditor's remuneration

	2019	2018
	€	€
Fees for the audit of the company	44,761	51,064

Fees paid to the company's auditor, Deloitte LLP and its associates for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements of BP Energy Europe 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.

6. Interest receivable and similar income

	2019	2018
	€	€
Interest income from other loans and receivables	12,606	20,365
Total interest receivable and similar income	12,606	20,365

7. Interest payable and similar expenses

	2019	2018
	€	€
Interest expense on:		
Loans from group undertakings	326,180	884,749
Other loans	406	6,362
Total interest payable and similar expenses	326,586	891,111

8. Taxation

The company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2010.

The taxation charge / (credit) in the profit and loss account is made up as follows:

	2019	2018
Current tax	€	€
Overseas tax on income for the year	693,032	1,948,495
Tax charged on profit	693,032	1,948,495

(a) Reconciliation of the effective tax rate

The tax assessed on the profit for the year is higher than the standard rate of corporation tax in the UK of 19% for the year ended 31 December 2019 (2018 19%). The differences are reconciled below:

	2019	2018
	UK	UK
	€	€
Profit / (loss) before tax	29,859,493	2,964,882
Tax charge	693,032	1,948,495
Effective tax rate	2 %	66 %

	2019	2018
	UK	UK
	%	%
UK corporation tax rate:	19	19
Increase / (decrease) resulting from:		
Non-taxable income	2	—
Double tax relief	(6)	66
Free group relief	(13)	(19)
Effective tax rate	2	66

The reconciling items shown above are those that arise for UK corporation tax purposes, rather than overseas tax purposes.

DTT

Change in corporation tax rate

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 31 December 2019 has been calculated based on this rate. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

(b) Provision for deferred tax

A deferred tax asset has not been recognised in respect of unutilised overseas tax credits of €1,952,608 (2018 €4,643,137), short timing differences of €327,329 (2018 €368,245 after making a transitional adjustment for IFRS 9) and trade losses of €6,360,141 (2018 €6,360,141) with no fixed expiry date on the basis they are unlikely to have value in the future.

9. Directors and employees

(a) Remuneration of directors

A number of directors are senior executives of the BP p.l.c. Group and received no remuneration for qualifying services to this company

The following details relate to the directors who received remuneration for their qualifying services to the company and so are in scope for this disclosure.

The total remuneration for these qualifying directors for their period of directorship to the company amounted to €95,000 (2018 €95,000). None of these directors received non-cash benefits in relation to qualifying services.

None of these directors were active members of the defined benefit section of the BP Pension Fund at 31 December 2019 (2018 None) and none of the qualifying directors exercised share options over BP p.l.c. shares during the year (2018 None).

(b) Employee costs

	2019	2018
	€	€
Wages and salaries	55,637	1,371,786
Social security costs	1,924	4,093
Other pension costs	87,641	366,860
Share-based payment charge	54,630	—
	199,832	1,742,739

Included in other pension costs is €Nil (2018 €Nil) in respect of defined benefit scheme and €87,641 (2018 €366,860) in respect of defined contribution scheme.

(c) The average monthly number of employees during the year was 2 (2018 13).

10. Stocks

	2019	2018
	€	€
Natural gas	—	4,975,180

The difference between the carrying value of stocks and their replacement cost is not material.

11. Debtors

Amounts falling due within one year:

	2019	2018
	€	€
Trade debtors	182,425	60,903,202
Amounts owed from fellow subsidiaries	134,040,383	106,319
Other debtors	1,989,615	3,967,572
Prepayments and accrued income	231,676	74,416,102
Taxation	2,142,986	210,838
	138,587,085	139,604,033

The amounts owed from fellow subsidiaries comprise a variable rate funding account of $134.0m (2018 $0.1m). Interest is accrued on a monthly basis based on IBOR. The interest rate at year end was LIBOR plus 11 basis points (2018 LIBOR plus 11 basis points).

12. Creditors

Amounts falling due within one year:

	2019	2018 (restated)
	€	€
Trade creditors	40,387	76,410,822
Amounts owed to fellow subsidiaries	76,082,668	37,536,961
Other creditors	—	2,084,794
Taxation	693,032	1,429,536
Accruals and deferred income	29,468	11,019,779
Total creditors	76,845,555	128,481,892

Materially all of the company's trade payables have payment terms in the range of 30 to 60 days and give rise to operating cash flows.

Included within amounts payable to fellow subsidiaries is an interest-bearing funding account of €75,909,859 (2018 €36,674,797) with BP International Limited, with interest being charged based on daily EUR LIBOR overnight rate plus 15 basis points, callable on demand.

Included within the amounts owed to fellow subsidiaries are intercompany derivative liabilities of €Nil (2018 €2,583,601). Derivative liabilities due within one year are €Nil (2018 €2,583,601), and due after one year €Nil (2018 €Nil).

Certain prior year figures have been restated. Please refer to Note 19 for further details.

13. Derivatives and other financial instruments

In the normal course of business the company enters into derivative financial instruments (derivatives), to manage its normal business exposures in relation to commodity prices.

The fair values of derivative financial instruments at 31 December are set out below. The open derivatives at 30 June 2019 were novated to BP Gas Marketing Limited at fair value.

In certain less liquid markets, or for longer-term contracts, forward prices are not as readily available. In these circumstances, OTC financial swaps and physical commodity sale and purchase contracts are valued using internally developed methodologies that consider historical relationships between various commodities, and that result in management's best estimate of fair value. These contracts are categorized within level 3 of the fair value hierarchy.

Derivatives held for trading

The company maintains active trading positions in a variety of derivatives. The contracts may be entered into for risk management purposes, to satisfy supply requirements or for entrepreneurial trading. Certain contracts are classified as held for trading, regardless of their original business objective, and are recognized at fair value with changes in fair value recognized in the profit and loss account. Trading activities are undertaken by using a range of contract types in combination to create incremental gains by the arbitraging process between markets, locations and time periods. The net of these exposures is monitored using market value-at-risk techniques.

NOTES TO THE FINANCIAL STATEMENTS

The fair values of derivative financial instruments at 31 December are set out below. The open derivatives at 30 June 2019 were novated to BP Gas Marketing Limited at fair value.

	2019	2019	2018	2018
	Fair value asset	Fair value liability	Fair value asset	Fair value liability
	€	€	€	€
Derivatives held for trading				
- Natural gas price derivatives	—	—	30,706,739	(14,610,057)
	—	—	30,706,739	(14,610,057)
Of which:				
– current derivatives with third parties	—	—	29,859,760	(13,966,026)
– non-current derivatives with third parties	—	—	846,979	(644,031)
	—	—	30,706,739	(14,610,057)

NOTES TO THE FINANCIAL STATEMENTS

There are no derivative assets or liabilities as at 31 December 2019. The following table shows the maturity profile for the prior year comparative balances.

2018	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
	€	€	€	€	€	€	€
Fair value of derivative assets							
Level 3	29,859,760	846,979	—	—	—	—	30,706,739
	29,859,760	846,979	—	—	—	—	30,706,739
Less: netting by counterparty	—	—	—	—	—	—	—
	29,859,760	846,979	—	—	—	—	30,706,739
Fair value of derivative liabilities							
Level 3	(13,966,026)	(644,031)					(14,610,057)
	(13,966,026)	(644,031)	—	—	—	—	(14,610,057)
Less: netting by counterparty	—	—	—	—	—	—	—
	(13,966,026)	(644,031)	—	—	—	—	(14,610,057)
Net fair value	15,893,734	202,948	—	—	—	—	16,096,682

The ageing of the derivatives above follows the risk date of the underlying contracts and not of the novation of the contracts to BP Gas Marketing Limited. All the contracts that are shown as derivatives above are included at fair value in line with the valuation model applied.

Level 3 derivatives

The following table shows the changes during the year in the net fair value of derivatives held for trading purposes within level 3 of the fair value hierarchy.

	Total
	€
Net fair value of contracts as at 1 January 2019	16,096,682
Settlements	(16,096,682)
Net fair value of contracts as at 31 December 2019	—

	Total
	€
Net fair value of contracts as at 1 January 2018	1,796,713
Gains / (losses) recognized in the profit and loss account	14,299,969
Net fair value of contracts as at 31 December 2018	16,096,682

Derivative gains and losses

Gains and losses on derivative contracts are included within 'Turnover' in the profit and loss account. The total amount relating to these derivative contracts was a net gain of €19,423,132 (2018 net gain of €4,617,446).

Gains and losses relating to derivative contracts are included within Turnover in the profit and loss account depending upon the nature of the activity and type of contract involved. The contract types treated in this way include futures, options, swaps and certain forward sales and forward purchases contracts, and relate to both currency and commodity trading activities. Gains or losses arise on contracts entered into for risk management purposes, optimisation activity and entrepreneurial trading. They also arise on certain contracts that are for normal procurement or sales activity for the group but that are required to be fair valued under accounting standards. Also included within sales and other operating revenues are gains and losses on inventory held for trading purposes.

14. Other provisions

	Other	Total
	€	€
At 1 January 2019	16,667	16,667
Write-back of unused provisions	(16,667)	(16,667)
At 31 December 2019	—	—

15. Called up share capital

	2019	2018
	€	€
Issued and fully paid:		
100 ordinary shares of £1 each for a total nominal value of £100	119	119
68,457,673 ordinary shares of €1 each for a total nominal value of €68,457,673	68,457,673	68,457,673
	68,457,792	68,457,792

16. Reserves

Called up share capital
The balance on the called up share capital account represents the aggregate nominal value of all ordinary shares in issue.

Profit and loss account
The balance held on this reserve is the accumulated losses of the company.

17. Related party transactions

The company has taken advantage of the exemption contained within paragraphs 8(k) and (j) of FRS 101, and has not disclosed transactions entered into with wholly-owned group companies or key management personnel. There were no other related party transactions in the year.

18. Post balance sheet event

Since 31 December 2019, oil and gas prices have fallen sharply in large part due to the impact of the international spread of COVID-19 (Coronavirus) and geopolitical factors. The impact of COVID-19 and the current economic environment on the basis of preparation of these financial statements has been considered. Further details are provided in the directors' report. This is a non-adjusting event for the financial statements for the period ending 31 December 2019.

19. Prior year adjustment

During the preparation of the 2019 financial statements it was identified that distribution and marketing expenses of €5,305,879 relating to 2018 activity had been recorded in January 2019 but no corresponding accrual had been recognised in the prior period. Therefore, the 2018 comparatives have been restated to record these expenses in the correct period along with the corresponding accrual at the year end date. The restated 2018 amounts are as follows:

Financial statement line item	2018 as previously reported €	2018 restated €
Distribution and marketing expenses	(89,476,314)	(94,782,193)
Creditors: amounts falling due within one year	(123,176,013)	(128,481,892)

20. Immediate and ultimate controlling parent undertaking

The immediate parent undertaking is BP Global Investments 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 its registered address: 1 St James's Square, London, SW1Y 4PD.