

**BP PENSION TRUSTEES LIMITED**

(Registered No.00230748)

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2021**

Board of Directors: BR Nelson (Chair)

PG Appleby

GP Cook

CS Gillam

LA Kingham CBE

JC Lyons

BJS Mathews

AG Rios

AJ Walker

The Law Debenture Pension Trust Corporation p.l.c.



The directors present the strategic report, their report and the audited financial statements for the year ended 31 December 2021.

**STRATEGIC REPORT****Results**

The result for the year after taxation was £Nil which, when added to the retained profit brought forward at 1 January 2021 of £8,000, gives a total retained profit carried forward at 31 December 2021 of £8,000.

**Principal activity and review of the business**

BP Pension Trustees Limited (the company) acts as Trustee of the BP Pension Fund (the Fund).

The company, as Trustee of the Fund, acts in accordance with the Trust Deed and Rules as amended and restated (governing documentation) and administers the Fund in order to provide members of the Fund and their beneficiaries with the benefits which BP p.l.c. has determined to provide to and/or in respect of them, as set out in the governing documentation. The current Trust Deed for the Fund is dated 31 July 2017, as amended with effect from 22 June 2021 by the Deed to close the Fund to future accrual.

During the year, the only activity performed by the company was acting as Trustee of the Fund. All expenses incurred by the company, except interest charged on the Internal Financing Account (IFA) with BP International Limited (refer Note 11) were subsequently on-charged to the Fund.

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

	2021	2020	Variance
	£000	£000	%
Result / profit for the financial year	—	1	(100)
Total equity	52,008	52,008	—

Result / profit for the year was £Nil. Expenses incurred by the company, other than interest charged on the IFA, were on-charged to the Fund, and interest earned on the IFA fully offset the interest charged.

## STRATEGIC REPORT

### Section 172 (1) statement

This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the statement required under section 414CZA of the Companies Act 2006 (the “Act”).

The role of the board of directors (the “Board”) of the company plays an integral part in demonstrating how the directors have had regard to the matters set out in section 172(1) of the Act. During the course of the year the following primary tasks were undertaken by the Board in line with the principal activities of the company:

- Defining and establishing purpose and strategy including, where relevant, having regard to the purpose, strategy, culture and values defined by BP p.l.c (“bp”).
- Monitoring the potential challenges presented by the COVID-19 pandemic, having regard to the company’s safe and reliable operations.
- Assessing principal and emerging risks relevant to the company.
- Considering responsible investment, including climate change and environmental, social and governance (“ESG”) matters.
- Assessing and evaluating investment strategy matters.

The table below demonstrates how the Board has discharged its duties under section 172(1):

Section 172(1)	Overview of performance against section 172(1)
(a) The likely long-term consequences of a decision	When setting and delivering on the company’s strategy, the directors have regard to the evolving environment in which the company operates and aims to promote the long term success and sustained economic viability of the company.
(b) The interests of the company’s stakeholders	The Board recognise that stakeholders are vital to the long term success of the company and, as such, the company and its directors engage with stakeholders, and keep them informed on matters of concern to them.
(c) The need to foster the company’s business relationships with suppliers and others	The Board believe that engagement with stakeholder groups plays a vital role throughout its business and ensure there is a focus on engagement and fostering relationships with key stakeholders. In addition, the Board reviewed and considered the company’s Modern Slavery Statement.
(d) The impact of the company’s operations on the community and the environment	The Board is committed to bp’s group wide policies which protect the community, environment and its people. These include bp’s Human Rights Policy and Sustainability. The Responsible Investment (RI) policy of the company, adopted in 2019, includes regulatory changes requiring the application of climate change reporting standards for climate risk management, for which the Fund has been preparing appropriately.
(e) The desirability to maintain the company’s reputation for high standards of business conduct	The Board recognise the need to act ethically and transparently, guided by bp’s values and code of conduct, in order to build valued business partner relationships with its stakeholders.
(f) The need to act fairly between stakeholders of the company	The Board aims to balance the needs of various stakeholders when setting and delivering the company’s strategy, having regard to long term value creation, including maximising long term shareholder value.

## **STRATEGIC REPORT**

### **Section 172 (1) statement (continued)**

Further information on the bp group policies applicable to the company can be found in BP p.l.c.'s 2021 Annual Report and Form 20-F and the bp Sustainability Report 2021.

#### ***Decision making process***

The company complies with the bp group's System of Internal Control, including functional assurance and internal bp group authorities which assists the directors when considering proposed decisions and the associated impact of decisions upon its stakeholders, whilst having regard to section 172(1) factors outlined above.

#### ***Maintaining a reputation for high standards of business conduct***

In 2021, bp continued to operate the new sustainability frame, aims and objectives linked to the UN Sustainable Development Goals it launched in 2020. bp's values of safety, respect, excellence, courage and one team define how the bp group, including the company and its Board, conduct business. Furthermore, bp's code of conduct is based upon its values and it sets clear expectations for how bp, the company and the Board operate. The Board continued to adhere, in good faith, to the bp code of conduct during the year to ensure the Board and the company maintained a reputation for high standards of business conduct.

bp's code of conduct includes prohibitions on engaging in bribery or corruption in any form, in accordance with bp's group-wide anti-bribery and corruption policy and procedures. During the year, the company continued to engage suppliers and communicate expectations for managing bribery and corruption risk on behalf of bp, where relevant, for example. The company conducts risk assessments and trains employees on relevant rules and regulations including anti-bribery and corruption and has a gifts and entertainment policy. Risk based counterparty due diligence is conducted on all counterparties.

#### ***Stakeholders***

During 2021, bp reiterated its focus on engagement with key stakeholders, as well as an increased focus on ESG matters.

#### ***Community and environment***

bp consults with communities, NGOs, academics and industry associations about the future of bp, with regard to the environment and social matters and the issues facing the world, drawing on their external expertise, input and challenge.

bp's new sustainability frame, which underpins the strategy, puts purpose into action. It takes an integrated approach while focusing on the areas where bp believe it can make the most difference.

In 2021, bp continued to operate its business and human rights policy (launched in 2020) to address emerging human rights issues relevant to our industry, clarify its human rights commitments and communicate how bp's approach to managing human rights impacts has advanced. The update was supported by consultations with a wide range of NGOs, subject matter experts and investors.

In addition, bp also updated its biodiversity position which is a vital part of bp's purpose to reimagine energy for people and our planet.

The following directors' engagement was noted during the year with respect to the company's community and environment:

The Responsible Investment (RI) policy of the company, adopted in 2019, has been kept up to date and is in accordance with the recent DWP regulatory changes. These include regulatory changes requiring the application of climate change reporting standards for climate risk management, for which the Fund has been preparing appropriately.

## **STRATEGIC REPORT**

### **Section 172 (1) statement (continued)**

#### ***Community and environment (continued)***

The company recognises climate change as a systematic, long-term material financial risk to the value of the Fund's investments and the funding level. The Board considers climate-related risks and opportunities when making investment decisions. Investors play a significant role in encouraging investee companies to deliver concrete change, therefore climate change is one of our three key priorities for our stewardship activities in addition to human rights and board effectiveness.

Consideration of environmental, social and governance ('ESG') factors within the investment process has remained a significant criterion within the asset manager selection and monitoring process. The external manager monitoring process and reporting framework of the company has been significantly enhanced to bring those into close alignment with the 2020 UK Stewardship Code principles.

#### ***Shareholders***

The Board identifies that engagement with its shareholder is of key importance to the ongoing success of the company and, as such, when taking decisions, the Board had regard to the company's shareholders with regard to maximising long term shareholder value, in whatever form, when taking its decisions.

#### **The company's principal decisions**

The company has taken the view that a 'principal' decision is one which is material and strategic in nature and would affect the ability of the company to generate or preserve value over the long term. Principal decisions may typically fall into four categories, namely financial, operational, culture and/or people.

During the period, principal decisions set out below were taken by the company whilst having regard to the company's stakeholders as outlined above as well as the need to maintain a reputation for high standards of business conduct, the need to act fairly between members and the long-term consequences of the decision.

The principal decisions taken by the directors during the year included matters relating to closure of the Fund to future accrual, the investment strategy, including application of Environmental, Social and Governance matters and matters related to members' benefits including safeguarding of the benefits. The relevant factors taken into account during the decision-making process, in furtherance of the company's purpose, were to act in accordance with the Fund's Trust Deed and Rules, and in the best interests of the Fund and its members and beneficiaries, taking into account the interests of all stakeholders including the Fund's sponsor, BP p.l.c.

#### **Principal risks and uncertainties**

The risks described below should be carefully considered. The potential impact of the occurrence or reoccurrence of any of the risks described below could have a material adverse effect on the company's ability to fulfil its obligations as Trustee of the Fund.

The company's risks arise from its legal and regulatory responsibilities as Trustee of the Fund and its duty, as Trustee, to act in the best interests of the members and the beneficiaries of the Fund. The Board has developed a risk framework consistent with the bp group model to assist in the identification, monitoring and management of risk. Risk management is integrated into the process of planning and performance management. Accountability for managing these risks falls to the directors.

A principal risk to the Fund relates to the financial ability of BP p.l.c., acting on behalf of itself and the other bp companies participating in the Fund, to make contributions to the Fund in accordance with the obligations set out in the Strategic Funding Agreement and Rules and in accordance with legislation. Group risks for BP p.l.c. are described in the BP p.l.c. Annual Report and Form 20-F 2021 and are categorized against the following areas: strategic and commercial; compliance and control; and safety and operational.

## **STRATEGIC REPORT**

### **Principal risks and uncertainties (continued)**

Other risks to the Fund have been identified and categorized in the risk framework. These include impairment of assets and income; the ability to respond to extreme events and changes in the operational environment; reliance upon systems, key persons and third parties; and error and fraud risks.

The Board of Directors has developed and adopted a covenant monitoring policy and an associated monitoring 'dashboard' against which risks to the sponsoring employer's financial covenants can be assessed on a quarterly basis. The Board monitored covenant risk as part of the key risks review at each Board meeting in 2021.

### **Strategic and commercial risks**

#### ***Geopolitical***

The company is exposed to a range of political, economic and social developments and consequent changes to the operating and regulatory environment which could cause business disruption. Political instability, changes to the regulatory environment or taxation, international trade disputes and barriers to free trade, international sanctions, expropriation or nationalization of property, civil strife, strikes, insurrections, acts of terrorism, acts of war and public health situations (including the continued impact of the COVID-19 pandemic or any future epidemic or pandemic) may disrupt or curtail our operations, business activities or investments. These may in turn limit our ability to pursue new opportunities, affect the recoverability of our assets and our related earnings and cash flow or cause us to incur additional costs.

#### ***Liquidity, financial capacity and financial exposure, 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 or failure of the company's or third parties' digital infrastructure or cyber security, including loss or misuse of sensitive information could damage its operations and reputation or increase costs.

#### ***Climate change and the transition to a lower carbon economy***

Developments in policy, law, regulation, technology and markets including societal and investor sentiment, related to the issue of climate change could increase costs, constrain the company's operations and affect our business plans and financial performance.

#### ***Competition***

Inability to remain efficient, maintain a high-quality portfolio of assets, innovate and retain access to an appropriately skilled workforce (who may be employed by another bp group company); 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.

### **Compliance and control risks**

#### ***Ethical misconduct and non-compliance***

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

## STRATEGIC REPORT

### **Compliance and control risks (continued)**

#### ***Regulation***

Changes in the law and regulation could increase costs, constrain the company's operations and affect its business plans and financial performance.

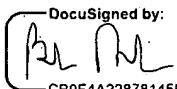
#### ***Reporting***

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 foreign currency exchange rates and interest rates; credit risk; and liquidity risk. Further details on these financial risks are included within Note 28 of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

Authorized for issue on behalf of the Board

DocuSigned by:  
  
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Brendan Nelson  
Chair

08 July 2022 | 16:48 BST

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#### **Registered Office:**

Chertsey Road  
Sunbury on Thames  
Middlesex  
TW16 7BP  
United Kingdom

**DIRECTORS' REPORT****BP PENSION TRUSTEES LIMITED****Board of Directors**

The present directors are listed on page 1.

PG Appleby, GP Cook, CS Gillam, JC Lyons, BJS Mathews, AG Rios, AJ Walker and The Law Debenture Pension Trust Corporation p.l.c. served as directors throughout the financial year. Changes since 1 January 2021 are as follows:

	<u>Appointed</u>	<u>Retired</u>
Sir Ian Prosser	—	7 July 2021
BR Nelson (Chair)	7 July 2021	—
LA Kingham CBE	31 December 2021	—
PJ Mather	—	31 December 2021

**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 (2020 £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 6.1) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the strategic report under Financial risk management.

**Going concern**

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID-19 were considered as part of the going concern assessment.

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis.

## **DIRECTORS' REPORT**

### **Going concern (continued)**

For further information on financial risk factors, including credit risk and liquidity risk, see pages 5 and 6.

The company, as Trustee of the Fund, recharges all expenses incurred, except interest charged on the IFA, to the Fund without mark-up. The Fund is established under trust law and its assets are legally separate from the bp group. Under the terms of the Trust Deed between the company and BP p.l.c. dated 31 July 2017, as amended with effect from 22 June 2021 by the Deed to close the Fund to future accrual, the company is entitled to pay its expenses out of the assets of the Fund under its control.

In assessing the prospects of BP Pension Trustees Limited, 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.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Future developments**

The company acts as Trustee of the Fund and all costs incurred by the company, except interest earned and interest charged on the IFA, are subsequently on-charged to the Fund. The directors believe 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 directors that the business of the company will continue for the foreseeable future.

### **Streamlined Energy & Carbon Reporting (SECR)**

As a UK subsidiary of a UK parent company which prepares a group directors' report, SECR reporting details are included in the strategic report of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

### **Auditors**

Pursuant to section 487 of the Companies Act 2006, Deloitte LLP have expressed their willingness to continue in office as auditors and are therefore deemed reappointed as auditors.



**DIRECTORS' REPORT**

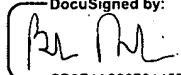
**Directors' statement as to the disclosure of information to the auditor**

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 section 418 of the Companies Act 2006.

Authorized for issue on behalf of the Board

DocuSigned by:  
  
Brendan Nelson  
Chair

08 July 2022 | 16:48 BST

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Registered Office:

Chertsey Road  
Sunbury on Thames  
Middlesex  
TW16 7BP  
United Kingdom

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT  
OF THE FINANCIAL STATEMENTS  
BP PENSION TRUSTEES 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 PENSION TRUSTEES LIMITED**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of BP Pension Trustees Limited (the company):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result 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 15.

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.

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

##### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

## **INDEPENDENT AUDITOR'S REPORT**

### **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.

### **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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organization for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## **INDEPENDENT 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 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:

  
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08 July 2022 | 08:02 AKDT

Giles Murphy (Senior Statutory Auditor)  
**for and on behalf of Deloitte LLP, Statutory Auditor**  
London, United Kingdom

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**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2021****BP PENSION TRUSTEES LIMITED**

		<u>2021</u>	<u>2020</u>
	<b>Note</b>	£000	£000
<b>Turnover</b>	<b>3</b>	39,264	26,303
Administrative expenses		<u>(39,264)</u>	<u>(26,303)</u>
<b>Operating result</b>		—	—
Interest receivable and similar income	<b>5</b>	1	2
Interest payable and similar expenses	<b>6</b>	<u>(1)</u>	<u>(1)</u>
<b>Result / profit before taxation</b>		—	1
Tax on profit	<b>7</b>	<u>—</u>	<u>—</u>
<b>Result / profit for the financial year</b>		<u>—</u>	<u>1</u>

The result of £Nil for the year ended 31 December 2021 was derived in its entirety from continuing operations.

**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2021**

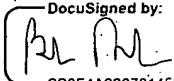
There is no comprehensive income attributable to the shareholders of the company other than the result for the year.

**BALANCE SHEET****AS AT 31 DECEMBER 2021****BP PENSION TRUSTEES LIMITED****(Registered No.00230748)**

	Note	<u>2021</u> £000	<u>2020</u> £000
<b>Fixed assets</b>			
Investments	9	<u>52,100</u>	<u>52,100</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	11,603	9,738
Creditors: amounts falling due within one year	11	<u>(11,695)</u>	<u>(9,830)</u>
<b>Net current liabilities</b>		<u>(92)</u>	<u>(92)</u>
<b>NET ASSETS</b>		<u><u>52,008</u></u>	<u><u>52,008</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	52,000	52,000
Profit and loss account	13	8	8
<b>TOTAL EQUITY</b>		<u><u>52,008</u></u>	<u><u>52,008</u></u>

Authorized for issue on behalf of the Board

DocuSigned by:



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Brendan Nelson

Chair

08 July 2022 | 16:48 BST

**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2021****BP PENSION TRUSTEES LIMITED**

	<u>Called up share capital (Note 12)</u>	<u>Profit and loss account (Note 13)</u>	<u>Total</u>
	£000	£000	£000
<b>Balance at 1 January 2020</b>	52,000	7	52,007
Profit for the financial year, representing total comprehensive income	—	1	1
<b>Balance at 31 December 2020</b>	<u>52,000</u>	<u>8</u>	<u>52,008</u>
Result for the financial year, representing total comprehensive income	—	—	—
<b>Balance at 31 December 2021</b>	<u><u>52,000</u></u>	<u><u>8</u></u>	<u><u>52,008</u></u>



**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2021****BP PENSION TRUSTEES LIMITED****1. Authorization of financial statements and statement of compliance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)**

The financial statements of BP Pension Trustees Limited for the year ended 31 December 2021 were approved by the board of directors on 8 July 2022 and the balance sheet was signed on the board's behalf by Brendan Nelson (Chair). BP Pension Trustees Limited is a private company, limited by shares incorporated, domiciled and registered in England and Wales (Registered number 00230748). The company's registered office is at Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP. 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 financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

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

These financial statements are separate financial statements. The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare consolidated financial statements, because it is included in the group financial statements of BP p.l.c. Details of the parent in whose consolidated financial statements the company is included are shown in Note 15 to the financial statements.

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared under the historical cost convention in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework and the Companies Act 2006. 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;
- (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;

## NOTES TO THE FINANCIAL STATEMENTS

### 2. Significant accounting policies, judgements, estimates and assumptions (continued)

#### **Basis of preparation (continued)**

- (i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c)-135(e) of IAS 36, Impairment of Assets;
- (j) 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 15.

The financial statements are presented in Pound Sterling and all values are rounded to the nearest thousand pounds (£000), except where otherwise indicated.

#### **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 shown on page 19, and should be read in conjunction with the information provided in the Notes to the financial statements.

The areas requiring the most significant judgement and estimation in the preparation of the financial statements is impairment of investments.

The COVID-19 pandemic, climate change, the energy transition, bp's strategy to 2030 and ambition to become a net-zero company by 2050 or sooner were considered in preparing the bp group consolidated financial statements. These issues are not expected to have significant impacts on the currently reported amounts of the company's assets and liabilities.

#### **Significant accounting policies**

##### **Going concern**

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID-19 were considered as part of the going concern assessment.

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis. For further information on financial risk factors, including credit risk and liquidity risk, see pages 5 and 6.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Going concern (continued)**

The company, as Trustee of the Fund, recharges all expenses incurred, except interest charged on the IFA, to the Fund without mark-up. The Fund is established under trust law and its assets are legally separate from the bp group. Under the terms of the Trust Deed between the company and BP p.l.c. dated 31 July 2017, as amended with effect from 22 June 2021 by the Deed to close the Fund to future accrual, the company is entitled to pay its expenses out of the assets of the Fund under its control.

In assessing the prospects of BP Pension Trustees Limited, 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.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

**Foreign currency**

The functional and presentation currency of the financial statements is Pound Sterling. 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.

**Investments**

Fixed asset investment in subsidiaries are held at cost. The company assesses investments for an impairment indicator annually. If any such indication of possible impairment exists, the company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

Where these circumstances have reversed, the impairment previously made is reversed to the extent of the original cost of the investment.

***Significant judgements and estimates: impairment of investments***

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Determination as to whether, and how much, an investment is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses and discount rates.

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Management judgement is required to determine whether an indicator of potential impairment exists in relation to the company's investments. No such indicators have been identified during the current year and therefore no impairment test has needed to be performed. Accordingly, the recoverable amount of the investment has not needed to be estimated, nor any assumptions made, and no sensitivity analysis has been required. Details of the carrying value of the investments are provided in Note 9.

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**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****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. The subsequent measurement of financial assets depends on their classification, as set out below. 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.

The company classifies its financial assets as measured at amortized cost or fair value through profit or loss. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

***Financial assets measured at amortized cost***

Financial assets are classified as measured at amortized cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortized cost. This category of financial assets includes other receivables.

**Impairment of financial assets measured at amortized cost**

The company assesses on a forward-looking basis the expected credit losses associated with financial assets classified as measured at amortized cost at each balance sheet date. Expected credit losses are measured based on the maximum contractual period over which the company is exposed to credit risk. As lifetime expected credit losses are recognized for trade receivables and the tenor of substantially all other in-scope financial assets is less than 12 months there is no significant difference between the measurement of 12-month and lifetime expected credit losses for the company. The measurement of expected credit losses is a function of the probability of default, loss given default and exposure at default. The expected credit loss is estimated as the difference between the asset's carrying amount and the present value of the future cash flows the company expects to receive, discounted at the financial asset's original effective interest rate. The carrying amount of the asset is adjusted, with the amount of the impairment gain or loss recognized in the profit and loss account.

A financial asset or group of financial assets classified as measured at amortized cost is considered to be credit-impaired if there is reasonable and supportable evidence that one or more events that have a detrimental impact on the estimated future cash flows of the financial asset (or group of financial assets) have occurred. Financial assets are written off where the company has no reasonable expectation of recovering amounts due.

**Financial liabilities**

The measurement of financial liabilities is as follows:

***Financial liabilities measured at amortized cost***

Financial liabilities are initially recognized at fair value, net of directly attributable transaction costs. For interest-bearing loans and borrowings this is typically equivalent to the fair value of the proceeds received net of issue costs associated with the borrowing.

After initial recognition, these financial liabilities are subsequently measured at amortized cost. This category of financial liabilities includes trade and other payables and finance debt.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****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.

**Taxation**

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.

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.

**Sales taxes**

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 sales tax except:

- 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 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**

Turnover represents the recharge of expenses incurred by the company to the Fund without mark-up. Turnover is recognised, net of sales taxes, at the point the associated expenses are incurred.

**Interest income**

Interest income is recognized as the interest accrues.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Finance costs**

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

**Updates to significant accounting policies****Impact of new International Financial Reporting Standards**

bp adopted 'Interest Rate Benchmark Reform – Phase II – Amendments to IFRS 9 'Financial instruments', IFRS 16 'Leases' and other IFRSs with effect from 1 January 2021. There are no other new or amended standards or interpretations adopted during the year that have a significant impact on the company's financial statements.

The adoption of 'Interest Rate Benchmark Reform – Phase II – Amendments to IFRS 9 'Financial instruments', IFRS 16 'Leases' and other IFRSs has had no material impact on the company's financial statements.

**Impact of new International Financial Reporting Standards - Not yet adopted**

The following pronouncements from the IASB have not been adopted by the group in these financial statements as they will only become effective for future financial reporting periods. There are no other standards, amendments or interpretations in issue but not yet adopted that the directors anticipate will have a material effect on the reported income or net assets of the group.

***IFRS 17 'Insurance Contracts'***

IFRS 17 'Insurance Contracts' provides a new general model for accounting for contracts where the issuer accepts significant insurance risk from another party and agrees to compensate that party if a future uncertain event adversely affects them. IFRS 17 replaces IFRS 4 'Insurance Contracts' and will be effective for bp for the financial reporting period commencing 1 January 2023. The standard has not yet been endorsed by the UK and the EU. bp's assessment of the impact of IFRS 17 is at an initial stage but it is not expected to have a significant effect on future financial reporting.

**3. Turnover**

Turnover, which is stated net of value added tax, represents expenses incurred by the company which are on charged to the Fund without markup.

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

	<u>2021</u>	<u>2020</u>
	£000	£000
Rendering of services	<u>39,264</u>	<u>26,303</u>

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

**NOTES TO THE FINANCIAL STATEMENTS****4. Auditor's remuneration**

	2021	2020
	£000	£000
Fees for the audit of the company	13	12

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 Pension Trustees 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.

**5. Interest receivable and similar income**

	2021	2020
	£000	£000
Interest income from amounts owed by group undertakings	1	2

**6. Interest payable and similar expenses**

	2021	2020
	£000	£000
Interest expense on overdrafts from group undertakings	1	1

**7. Taxation**

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

**Reconciliation of the effective tax rate**

The tax assessed on the result for the year is lower than the standard rate of corporation tax in the UK of 19% for the year ended 31 December 2021 (2020 19%). The differences are reconciled below:

	2021	2020
	£000	£000
Profit before taxation	—	1
Tax charge / (credit)	—	—
Effective tax rate	—%	—%
	2021	2020
	%	%
UK statutory corporation tax rate:	19	19
Increase / (decrease) resulting from:		
Non-deductible expenditure	(11,078)	555
Free group relief	11,059	(574)
Effective tax rate	—	—

**NOTES TO THE FINANCIAL STATEMENTS****7. Taxation (continued)****Change in corporation tax rate**

On 3 March 2021, the UK Government announced an increase in the UK's main corporation tax rate from 19% to 25%, effective from 1 April 2023. This will increase the company's future current tax charge accordingly. This rate change was substantively enacted on 24 May 2021. There is no impact of this rate change on the company's deferred tax position as the company had no deferred tax balances, recognised or unrecognised, at the balance sheet date.

**8. Directors and employees****(a) Remuneration of directors**

A number of directors are senior employees of the BP p.l.c. Group and received no remuneration for qualifying services to this company or its subsidiary undertakings.

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 emoluments themselves are met by the Fund.

	2021	2020
	£000	£000
Total emoluments for all qualifying directors	292	275
Total emoluments for highest paid director	102	102

Of the total emoluments, the aggregate amount of consideration paid to or receivable by third parties for making available the services of any person as a director of the company was £102,000 (2020 £102,000).

None of these directors received non-cash benefits in relation to qualifying services.

Of these qualifying directors, the highest paid director received £102,000 (2020 £102,000). The accrued pension within the BP Pension Fund of the highest paid director at 31 December 2021 was £Nil (2020 £Nil). The highest paid director received no contributions to a money purchase pension scheme during the year.

Three of these qualifying directors were members of the defined benefit section of the BP Pension Fund at 31 December 2021 (2020 Three).

None of the qualifying directors exercised share options over BP p.l.c. shares during the year (2020 None).

**(b) Employee costs**

The company had no employees during the year (2020 None).



**NOTES TO THE FINANCIAL STATEMENTS****9. Investments**

	<u>Investment in subsidiaries</u> £000
<b>Cost</b>	
At 1 January 2020	52,100
At 31 December 2020	<u>52,100</u>
At 1 January 2021	52,100
At 31 December 2021	<u>52,100</u>
<b>Net book amount</b>	
At 31 December 2021	<u>52,100</u>
At 31 December 2020	<u>52,100</u>

The investment in subsidiaries are all stated at cost less provision for impairment.

The investment in the subsidiaries are unlisted.

The subsidiary undertakings of the company at 31 December 2021 and the percentage of equity capital held are set out below. The principal country of operation is generally indicated by the company's country of incorporation or by its name.

All voting rights are equal to percentage of share capital owned unless otherwise noted below.

**Subsidiary undertakings**

<b>Company name</b>	<b>Class of share held</b>	<b>%</b>	<b>Registered address</b>	<b>Principal activity</b>
Ropemaker Properties Limited	Ordinary	100	Chertsey Road Sunbury on Thames Middlesex TW16 7BP United Kingdom	Real estate property investments
BP Investment Management Limited	Ordinary	100	Chertsey Road Sunbury on Thames Middlesex TW16 7BP United Kingdom	Investment management & advisory services

**Significant holdings in other related undertakings**

In accordance with Section 409 of the Companies Act 2006, disclosed below is a full list of related undertakings in which the company holds an interest of 20% or greater not already disclosed above.

<b>Related undertaking</b>	<b>Holding %</b>	<b>Registered address</b>	<b>Direct / indirect</b>
Ropemaker Deansgate Limited	100	Chertsey Road Sunbury on Thames Middlesex TW16 7BP United Kingdom	Indirect

**NOTES TO THE FINANCIAL STATEMENTS****10. Debtors**

Amounts falling due within one year:

	2021	2020
	£000	£000
Other debtors	1,063	811
Prepayments	240	165
Accrued income	10,300	8,762
	<u>11,603</u>	<u>9,738</u>

Other debtors are non-interest bearing.

**11. Creditors**

Amounts falling due within one year:

	2021	2020
	£000	£000
Trade creditors	335	870
Amounts owed to fellow subsidiaries	823	1,240
Other creditors	18	—
Accruals	10,458	7,720
Deferred income	61	—
	<u>11,695</u>	<u>9,830</u>

Included within current amounts payable to fellow subsidiaries is an interest-bearing Internal Financing Account (IFA) of £536,000 (2020 £1,140,000) with BP International Limited. Interest is accrued on a monthly basis based on GBP IBOR. Whilst IFA credit balances are legally repayable on demand, in practice they have no termination date.

Other than as disclosed above, 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.

**12. Called up share capital**

	2021	2020
	£000	£000
Issued and fully paid:		
52,000,100 ordinary shares of £1 each for a total nominal value of £52,000,100	<u>52,000</u>	<u>52,000</u>

**13. 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 retained profits of the company.

**NOTES TO THE FINANCIAL STATEMENTS**

**14. 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.

**15. Immediate and ultimate controlling parent undertaking**

The immediate parent undertaking is BP p.l.c., 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.