

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

**(Registered No.04075308)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2018**

Board of Directors: D A Rider  
K A Thomson  
M K De Grove

The directors present the strategic report, their report and the audited financial statements for the year ended 31 December 2018.

**STRATEGIC REPORT**

**Results**

The profit for the year after taxation was \$83,524,985 which, when added to the retained profit brought forward at 1 January 2018 of \$148,095,434 and after deducting total paid interim dividends to ordinary shareholders of \$60,000,000, gives a total retained profit carried forward at 31 December 2018 of \$171,620,419.

**Principal activity and review of the business**

The company holds investment in BP Train 2/3 Holding SRL, a subsidiary company which operates in Barbados and holds investments in Atlantic 2/3 Holdings LLC and Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited respectively. The principal business activity of the underlying investment is liquefaction of natural gas in the second and third trains at Point Fortin, Trinidad.

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

	2018	2017	Variance
	\$	\$	%
Dividend income	79,800,000	89,150,000	(10)
Operating profit	79,788,115	89,137,366	(10)
Profit for the year	83,524,985	90,226,133	(7)
Total equity	308,645,990	285,121,005	8

	2018	2017	Variance
	%	%	
Return on average capital employed**	28	38	(10)

\*\*Return on average capital employed is defined as profit for the year after adding back interest, divided by average capital employed. Capital employed is defined as total equity plus gross debt, excluding goodwill and cash.

During the year, the company received lower dividend income from BP Train 2/3 Holding SRL, which was the main contributor to the decrease in operating profit and profit for the year.



## **STRATEGIC REPORT**

### **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 2018.

### **Strategic and commercial risks**

#### ***Major project delivery***

Failure to invest in the best opportunities or deliver major projects successfully could adversely affect the company's financial performance.

#### ***The impact of the UK's exit from the EU***

Following the referendum in 2016, BP has been assessing the potential impact of Brexit on group companies. BP has been preparing for different scenarios for the UK's exit from the EU but does not believe any of these scenarios will pose a significant risk to the business. The BP board's geopolitical committee discussed this, most recently in January 2019. BP continues to monitor developments in this area in line with group risk management processes and procedures.

#### ***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**

#### ***Regulation***

Changes in the regulatory and legislative environment could increase the cost of compliance.

#### ***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.

#### ***Reporting***

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

## STRATEGIC REPORT

### 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 interest rates. 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 2018.

Authorized for issue by Order of the Board

DocuSigned by:

C Thomas

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For and on behalf of

Sunbury Secretaries Limited

Company Secretary

July 18, 2019

Registered Office:

Chertsey Road

Sunbury on Thames

Middlesex

TW16 7BP

United Kingdom

## DIRECTORS' REPORT

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

## Directors

The present directors are listed on page 1.

D A Rider and K A Thomson served as a directors throughout the financial year. Changes since 1 January 2018 are as follows:

	<u>Appointed</u>	<u>Resigned</u>
M F Giles	—	28 February 2019
M K De Grove	1 March 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

During the year the company has declared and paid dividends of \$60,000,000 (2017 \$Nil). The directors do not propose the payment of a final 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.

## Future developments

The directors aim to maintain the management policies which have resulted in the company's stability in recent years. They 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.

## **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.

Authorized for issue by Order of the Board

DocuSigned by:

C Thomas

02DC0B592A9A4A4

For and on behalf of

Sunbury Secretaries Limited

Company Secretary

July 18, 2019

Registered Office:

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT  
OF THE FINANCIAL STATEMENTS**

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

The directors are responsible for preparing the Strategic Report, the Directors' 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 and, 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, continue to adopt the going concern basis in preparing the financial statements.

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ATLANTIC 2/3 UK HOLDINGS LIMITED**

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

##### **Opinion**

In our opinion the financial statements of Atlantic 2/3 UK Holdings Limited (the company):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 13.

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**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

We have nothing to report in respect of these matters.

##### **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.

## 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.

### **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:

*Giles Murphy*

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July 18, 2019

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



**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

		2018	2017
	Note	\$	\$
Dividend income		79,800,000	89,150,000
Administrative expenses		(11,885)	(12,634)
Operating profit		79,788,115	89,137,366
Interest receivable and similar income	4	3,736,870	1,088,767
Profit before taxation		83,524,985	90,226,133
Tax on profit	5	—	—
Profit for the year		83,524,985	90,226,133

The profit of \$83,524,985 for the year ended 31 December 2018 was derived in its entirety from continuing operations.

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

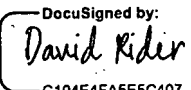
There is no comprehensive income attributable to the shareholders of the company other than the profit for the year.

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**BALANCE SHEET****AS AT 31 DECEMBER 2018****ATLANTIC 2/3 UK HOLDINGS LIMITED****(Registered No.04075308)**

	Note	2018 \$	2017 \$
<b>Fixed assets</b>			
Investments	7	137,025,571	137,025,571
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	171,644,938	148,108,068
Creditors: amounts falling due within one year	9	(24,519)	(12,634)
Net current assets		171,620,419	148,095,434
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		308,645,990	285,121,005
<b>NET ASSETS</b>		308,645,990	285,121,005
<b>Capital and reserves</b>			
Called up share capital	10	137,025,571	137,025,571
Profit and loss account	11	171,620,419	148,095,434
<b>TOTAL EQUITY</b>		308,645,990	285,121,005

Authorized for issue on behalf of the Board

DocuSigned by:  
  
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 D A Rider  
 Director

July 18, 2019

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

	Called up share capital (Note 10)	Profit and loss account (Note 11)	Total
	\$	\$	\$
Balance at 1 January 2017	137,025,571	57,869,301	194,894,872
Profit for the year, representing total comprehensive income	—	90,226,133	90,226,133
Balance at 31 December 2017	137,025,571	148,095,434	285,121,005
Profit for the year, representing total comprehensive income	—	83,524,985	83,524,985
Dividends paid	—	(60,000,000)	(60,000,000)
Balance at 31 December 2018	137,025,571	171,620,419	308,645,990

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**ATLANTIC 2/3 UK HOLDINGS LIMITED**

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

The financial statements of Atlantic 2/3 UK Holdings Limited for the year ended 31 December 2018 were approved by the board of directors on 16/07/2019 and the balance sheet was signed on the board's behalf by D A Rider. Atlantic 2/3 UK Holdings Limited is a private company, limited by shares incorporated, domiciled and registered in England and Wales (registered number 04075308). 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 13 to the financial statements.

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
- (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

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 13.

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## **NOTES TO THE FINANCIAL STATEMENTS**

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

The financial statements are presented in US dollars and all values are rounded to the nearest whole number in dollars (\$).

#### **Critical 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 critical judgements and estimates that could have a significant impact on the results of the company are set out below and should be read in conjunction with the information provided in the Notes to the financial statements.

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

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, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil, natural gas and refined products.

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 7.

#### **Significant accounting policies**

##### **Going concern**

The directors have 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 and the financial statements have therefore been prepared under the going concern basis.

##### **Foreign currency**

The functional and presentation currency of the financial statements is US dollars. 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.

As the company is considered to be an intermediate holding company, and therefore an extension of its parent company, its functional currency is the same as its parent company.

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.



## NOTES TO THE FINANCIAL STATEMENTS

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

#### **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.

#### **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 using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

#### **Interest income**

Interest income is recognized as the interest accrues.

#### **Dividend income**

Dividend income from investments is recognized when the shareholders' right to receive the payment is established.

#### **Dividends payable**

Final dividends are recorded in the financial statements in the year in which they are approved by the company's shareholders. Interim dividends are recorded in the year in which they are approved and paid.

## NOTES TO THE FINANCIAL STATEMENTS

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

#### Impact of new International Financial Reporting Standards

The company adopted two new accounting standards issued by the IASB with effect from 1 January 2018, IFRS 9 'Financial instruments' and IFRS 15 'Revenue from contracts with customers'. There are no other new or amended standards or interpretations adopted during the year that have a significant impact on the financial statements.

The adoption of IFRS 9 and IFRS 15 has had no material impact on the company's financial statements.

### 3. Auditor's remuneration

	2018	2017
	\$	\$
Fees for the audit of the company	11,885	12,634

Fees paid to the company's auditor, Deloitte LLP (2017 Ernst & Young 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 Atlantic 2/3 UK Holdings Limited's ultimate parent, BP p.l.c., are required to disclose non-audit fees on a consolidated basis.

### 4. Interest receivable and similar income

	2018	2017
	\$	\$
Interest income from amounts owed by group undertakings	3,736,870	1,088,767

### 5. 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 profit for the year is lower than the standard rate of corporation tax in the UK of 19% for the year ended 31 December 2018 (2017 19.25%). The differences are reconciled below:

	2018	2017
	\$	\$
Profit before taxation	83,524,985	90,226,133
Tax charge / (credit)	—	—
Effective tax rate	—%	—%
	2018	2017
	%	%
UK statutory corporation tax rate:	19	19.25
Decrease resulting from:		
Free group relief	(1)	(0.23)
Dividends not subject to UK tax	(18)	(19.02)
Effective tax rate	—	—

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## NOTES TO THE FINANCIAL STATEMENTS

### 5. Taxation (continued)

#### Change in corporation tax rate

The UK corporation tax rate reduced to 19% with effect from 1 April 2017, and will further reduce to 17% from 1 April 2020.

### 6. Directors and employees

#### (a) Remuneration of directors

None of the directors received any fees or remuneration for qualifying services as a director of the company during the financial year (2017 \$Nil).

#### (b) Employee costs

The company had no employees during the year (2017 None).

### 7. Investments

	Investment in subsidiary
<b>Cost</b>	\$
At 1 January 2017	137,025,571
At 31 December 2017	137,025,571
At 1 January 2018	137,025,571
At 31 December 2018	137,025,571
<b>Net book amount</b>	
At 31 December 2018	137,025,571
At 31 December 2017	137,025,571

The investment in the subsidiary is stated at cost less provision for impairment.

The investment in the subsidiary undertaking is unlisted.

The subsidiary undertaking of the company at 31 December 2018 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 undertaking**

Company name	Class of share held	%	Registered address	Principal activity
BP Train 2/3 Holding SRL	Ordinary shares	100	Erin Court, Bishop's Court Hill, St. Michael, Barbados.	Investment holding company

## NOTES TO THE FINANCIAL STATEMENTS

### 7. Investments (continued)

#### Significant holdings in undertakings other than subsidiary undertaking

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.

Related undertakings	Holding %	Registered address	Direct / indirect
Atlantic 2/3 Holdings LLC	42.5	RL&F Service Corp, 920 North King Street, 2nd Floor, Wilmington DE 19801, United States.	Indirect
Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited	42.5	Princes Court, Cor. Pembroke & Keate Street, Port-of-Spain, Trinidad and Tobago.	Indirect

### 8. Debtors

Amounts falling due within one year:

	2018	2017
	\$	\$
Amounts owed from parent undertakings	<u>171,644,938</u>	<u>148,108,068</u>

### 9. Creditors

Amounts falling due within one year:

	2018	2017
	\$	\$
Accruals	<u>24,519</u>	<u>12,634</u>

### 10. Called up share capital

	2018	2017
	\$	\$
Issued and fully paid:		
137,025,571 ordinary shares of \$1 each for a total nominal value of \$137,025,571	<u>137,025,571</u>	<u>137,025,571</u>

### 11. 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.

In 2018, the company paid interim ordinary dividends of \$60,000,000 (2017 \$Nil). The dividend per share was \$0.44 (2017 \$Nil).

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **12. 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.

### **13. Immediate and ultimate controlling parent undertaking**

The immediate parent undertaking is BP Exploration Operating Company 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.

