

**BP GAMMA HOLDINGS LIMITED**  
(Registered No. 14829647)

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COMPANIES HOUSE

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2023**

Board of Directors: J C Lyons  
J A Hodgson  
C T de la Pena Bethencourt

The directors present their report and the audited financial statements for the period ended 31 December 2023.

In accordance with section 414B (b) of the Companies Act 2006, the directors are taking advantage of the small companies exemption to not prepare a Strategic Report.

**DIRECTORS' REPORT**

**Directors**

The present directors are listed above.

The company was incorporated on 26 April 2023. Changes since the incorporation of the entity and up to the date of signing are as follows:

	<u>Appointed</u>	<u>Resigned</u>
J C Lyons	12/9/2023	—
J A Hodgson	12/9/2023	—
C T de la Pena Bethencourt	15/1/2024	—
M K De Grove	26/4/2023	19/9/2023
N J C Evans	26/4/2023	19/9/2023
N M Staunton	12/9/2023	15/1/2024

**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 period. The directors do not propose the payment of a dividend.

**Post balance sheet events**

No events occurred after the reporting period that had a material impact on the company's operation.

**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 were considered as part of the going concern assessment.

## **DIRECTORS' REPORT**

Liquidity and financing are 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 continue 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.

The company has ongoing funding arrangements with BP International Limited to manage its working capital. The director's assessment has taken into account the ability of both the company and bp group to ensure availability of funds at least 12 months from the date of the approval of these financial statements.

In assessing the prospects of BP Gamma Holdings 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 directors aim to maintain the management policies which have resulted in the company's stability throughout the period. 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.

### **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**

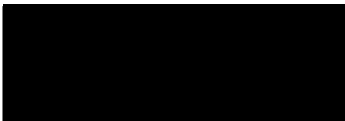
### **Directors' statement as to the disclosure of information to the auditor**

The directors who were members of the board at the time of approving the directors' report, as listed on page 1, confirm 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.

Approved by the board of directors and signed on behalf of the board by:



J A Hodgson

Director

September 9, 2024

Registered Office:

Chertsey Road  
Sunbury on Thames  
Middlesex  
TW16 7BP  
United Kingdom

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

**BP GAMMA HOLDINGS 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 GAMMA HOLDINGS LIMITED**

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

##### **Opinion**

In our opinion the financial statements of BP Gamma Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the period 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**

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.

## **INDEPENDENT AUDITOR'S REPORT**

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 course of 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

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 and 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 organisation 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

## **INDEPENDENT AUDITOR'S REPORT**

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 meeting of those charged with governance.

### **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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

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.

 (Senior Statutory Auditor)

**for and on behalf of Deloitte LLP, Statutory Auditor**

London, United Kingdom

September 9, 2024

**PROFIT AND LOSS ACCOUNT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**BP GAMMA HOLDINGS LIMITED**

	Note	2023 \$000
Interest receivable and similar income	4	23,400
<b>Profit before taxation</b>		<b>23,400</b>
Tax on profit		—
<b>Profit for the period</b>		<b>23,400</b>

The profit of \$23,400,000 for the financial period ended 31 December 2023 was derived in its entirety from continuing operations.

**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER**  
**2023**

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



**BALANCE SHEET****AS AT 31 DECEMBER 2023****BP GAMMA HOLDINGS LIMITED****(Registered No.14829647)**

	Note	2023 \$000
<b>Fixed assets</b>		
Investments	7	4,000,004
		<u>4,000,004</u>
<b>Current assets</b>		
Debtors - amounts falling due:	8	
within one year	8	523,400
after one year	8	5,500,000
		<u>6,023,400</u>
<b>Net current assets</b>		<u>6,023,400</u>
<b>TOTAL ASSETS</b>		<u>10,023,404</u>
<b>NET ASSETS</b>		<u><u>10,023,404</u></u>
<b>Capital and reserves</b>		
Called up share capital	9	10,000,004
Profit and loss account	10	23,400
<b>TOTAL EQUITY</b>		<u><u>10,023,404</u></u>

The financial statements were approved by the board of directors and authorised for issue on  
6 September 2024 and were signed on its behalf by:

  
 Director

September 9, 2024

**STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 31 DECEMBER 2023****BP GAMMA HOLDINGS LIMITED**

	Called up share capital (Note 9)	Profit and loss account (Note 10)	Total
	\$000	\$000	\$000
<b>Balance at incorporation</b>	—	—	—
Profit for the financial period, representing total comprehensive income.	—	23,400	23,400
Issue of share capital	10,000,004	—	10,000,004
<b>Balance at 31 December 2023</b>	<u>10,000,004</u>	<u>23,400</u>	<u>10,023,404</u>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2023**

#### **BP GAMMA HOLDINGS LIMITED**

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

The financial statements of BP Gamma Holdings Limited for the period ended 31 December 2023 were approved by the board of directors on 6 September 2024 and the balance sheet was signed on the board's behalf by J A Hodgson. BP Gamma Holdings Limited is a private company, limited by shares, incorporated, domiciled and registered in England and Wales (registered number 14829647). The company's registered office is at Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, England, United Kingdom. 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.

#### **Principal activities**

The company was incorporated on 26 April 2023. The company was created to deliver a global vertical legal entity structure for low carbon businesses (offshore wind, onshore wind, solar, Hydrogen and Carbon Capture and Storage) to create efficiency, conformity and simplicity of process for future projects.

#### **2. Material accounting policy information, significant judgements, estimates and assumptions**

The material accounting policy information 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 the period 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.

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 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;
- (b) 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;
- (c) the requirements of IAS 7 Statement of Cash Flows;
- (d) 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;
- (e) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;

## **NOTES TO THE FINANCIAL STATEMENTS**

- (f) 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;
- (g) the requirements of IFRS 7 Financial Instruments: Disclosures
- (h) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement
- (i) the requirements of paragraphs 88C and 88D of IAS 12 Income Taxes.

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.

The financial statements are presented in US dollars and all values are rounded to the nearest thousand dollars (\$000), except where otherwise indicated.

### **Material accounting policy information: 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.

There were no critical accounting judgements or estimates identified that would have a significant impact on the amounts recognized in the financial statements, or create a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **Material accounting policy information**

#### **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 were considered as part of the going concern assessment.

Liquidity and financing are 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 continue 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.

The company has ongoing funding arrangements with BP International Limited to manage its working capital. The director's assessment has taken into account the ability of both the company and bp group to ensure availability of funds at least 12 months from the date of the approval of these financial statements.

In assessing the prospects of BP Gamma Holdings 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.

**NOTES TO THE FINANCIAL STATEMENTS**

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 US dollars. The functional currency is the currency of the primary economic environment in which the company operates and is normally the currency in which the company primarily generates and expends cash.

**Investments**

Fixed asset investments 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.

**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. This category of financial assets includes trade and other receivables.

## **NOTES TO THE FINANCIAL STATEMENTS**

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

The company assesses on a forward-looking basis the expected credit losses associated with financial assets 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.

### **Taxation**

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

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

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

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

- Where the deferred tax liability arises on the initial recognition of goodwill.
- Where the deferred tax liability arises on the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in group undertakings, where the company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

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

## **NOTES TO THE FINANCIAL STATEMENTS**

In respect of deductible temporary differences associated with investments in group undertakings, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

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

Judgement is required when determining whether a particular tax is an income tax or another type of tax (for example a production tax). Accounting for deferred tax is applied to income taxes as described above but is not applied to other types of taxes; rather such taxes are recognized in the profit and loss account in accordance with the applicable accounting policy such as Provisions and contingent liabilities.

### **Interest income**

Interest income is recognized as the interest accrues.

### **Updates to material accounting policy information**

In the current period, the company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

### **Impact of new International Financial Reporting Standards**

The following pronouncements from the IASB have not been adopted by the company 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 company.

### **IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules**

In May 2023 the IASB issued International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12 Income Taxes to clarify the application of IAS 12 to tax legislation enacted or substantively enacted to implement Pillar Two of the Organisation for Economic Co-operation and Development's Base Erosion and Profit Shifting project, which aims to address the tax challenges arising from the digitalisation of the economy. The amendments include a mandatory temporary exception from accounting for deferred tax on

**NOTES TO THE FINANCIAL STATEMENTS**

such tax law. In July 2023 the UK government enacted legislation to implement the Pillar Two rules. The legislation is effective for bp from 1 January 2024 and includes an income inclusion rule and a domestic minimum tax, which together are designed to ensure a minimum effective tax rate of 15% in each country in which the group operates. Similar legislation is being enacted by other governments around the world. In line with the amendments to IAS 12, the exception from accounting for deferred tax for the Pillar Two rules has been applied and there are no impacts on the financial statements for 2023.

**3. Auditor's remuneration**

	2023
	\$000
Fees for the audit of the company	21

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 Gamma Holdings Limited's ultimate parent, BP p.l.c., are required to disclose non-audit fees on a consolidated basis.

The audit fees were borne by another group company.

**4. Interest receivable and similar income**

	2023
	\$000
Interest income from amounts owed by group undertakings	23,400
Total interest receivable and similar income	23,400

**5. Taxation**

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

The company has applied the temporary exception, introduced in May 2023, from the accounting requirements for deferred taxes in IAS 12, so that the company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The company has no current or deferred tax charge or credit in the profit or loss account for the period.

In 2023 the total tax charge recognised within other comprehensive income was Nil and the total tax charge recognised directly in equity was Nil.

**(a) Reconciliation of the effective tax rate**

The tax assessed on the profit for the period is lower than the standard rate of corporation tax in the UK of 25% for the period ended 31 December 2023. The differences are reconciled below:

	2023
	\$000
Profit before taxation	23,400
Tax charge	—
Effective tax rate (%)	0%



**NOTES TO THE FINANCIAL STATEMENTS**

	<u>2023</u>
	%
UK statutory corporation tax rate:	25
Decrease resulting from:	
Free group relief	<u>(25)</u>
Effective current tax rate	<u><u>0</u></u>

**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, recognized or unrecognized, at the balance sheet date.

**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 period.

**(b) Employee costs**

The company had no employees during the period.

**NOTES TO THE FINANCIAL STATEMENTS****7. Investments**

	Investment in subsidiaries	Total
Cost	\$000	\$000
At Incorporation	—	—
Additions	4,000,004	4,000,004
At 31 December 2023	<u>4,000,004</u>	<u>4,000,004</u>
<b>Net book amount</b>		
At 31 December 2023	<u>4,000,004</u>	<u>4,000,004</u>

On 4 May 2023 the company acquired 100% of the shares in BP Eta Holdings Limited with a total nominal value of \$1,500 million and 100% of the shares in BP Zeta Holdings Limited with a total nominal value of \$2,500 million.

The group undertakings of the company at 31 December 2023 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.

**Group undertakings**

Company name	Class of share held	%	Registered address
BP Eta Holdings Limited	Ordinary shares	100	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, England, United Kingdom
BP Zeta Holdings Limited	Ordinary shares	100	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, England, United Kingdom

**NOTES TO THE FINANCIAL STATEMENTS****8. Debtors**

Amounts falling due within one year:

	2023
	\$000
Amounts owed from group undertakings	523,400
	<u>523,400</u>

Amounts falling due after one year:

	2023
	\$000
Loans to group undertakings	5,500,000
	<u>5,500,000</u>
Total debtors	<u>6,023,400</u>

The amounts owed from group undertakings comprise an Internal Funding Account (IFA) of \$523.4 million receivable from BP International Limited.

This balance forms a key part of the bp group's liquidity and funding arrangements under its centralised treasury funding model and it can be accessed by BP International Limited at short notice. Whilst IFA balances are legally repayable on demand, in practice they have no termination date.

Interest is accrued on a monthly basis based on overnight SOFR plus 6 basis points.

Loans to group undertakings comprise an interest-bearing long-term deposit of \$5,500 million provided to BP p.l.c. with a maturity date of December 2024 and repayable at two business day's notice. Though the loan is due in 2024, the loan is auto-renewal and hence it is disclosed as non-current, given that BP Gamma Holdings Limited has no intent to withdraw the loan within the next year. Interest is accrued on a monthly basis based on overnight SOFR plus 6 basis points.

**9. Called up share capital**

	2023
	\$000
Issued and fully paid:	
10,000,004,000 Ordinary shares of \$1 each for a total nominal value of \$10,000,004,000	10,000,004
	<u>10,000,004</u>

**10. 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**

**11. 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 period.

**12. Post balance sheet events**

No events occurred after the reporting period that had a material impact on the company's operation.

**13. 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 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.