

SHELL BELVEDERE LIMITED

DIRECTORS' REPORT

AND ACCOUNTS

2007

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Registered in England & Wales 4057863



SHELL BELVEDERE LIMITED

DIRECTORS' REPORT

The Directors submit their annual report and audited accounts for the year ended 31 December 2007

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company is property re-development and in particular the re-development of the Shell Centre site

On 26 August 2005 Shell Belvedere Limited and Lend Lease Belvedere Limited ("LLB") mutually agreed to terminate the Joint Venture with Shell Belvedere Limited agreeing to pay LLB a sum of £1 3m in settlement. Settlement took place on 26 August 2005

The Company did not trade during the financial year and incurred no profit or loss (2006 £3 426m loss). The board is currently reviewing the long-term options of the Company

The Directors do not recommend the payment of a dividend for the year ended 31 December 2007 (2006 £Nil)

DIRECTORS

The Directors of the Company who served throughout the year and to the date of this report (except as noted) were

M R Napier

F D Numann

J T Peckmore

Resigned 28 September 2007

Appointed Director 19 October 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations

The Companies Act 1985 requires the Directors to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those accounts, 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors confirm that they have complied with the above requirements in preparing the accounts

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. 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

SHELL BELVEDERE LIMITED

DIRECTORS' REPORT (Continued)

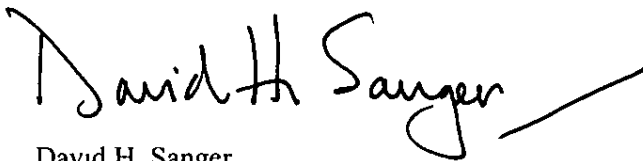
DISCLOSURE OF INFORMATION TO AUDITORS

All Directors in office at the date of approval of the accounts confirm that so far as each of the Directors is aware, there is no relevant audit information (meaning information needed by the Company's auditors in connection with preparing their report) that has not been disclosed to the Company's auditors. Each of the Directors believes that he or she has taken all steps that ought to have been taken to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

INDEPENDENT AUDITORS

The Company has passed an Elective Resolution in accordance with the Companies Act 1985 to dispense with the holding of annual general meetings, the laying of accounts and reports before general meetings and the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the Company pursuant to Section 386 of the Companies Act 1985.

By order of the Board

A handwritten signature in black ink that reads "David H. Sanger". The signature is written in a cursive style with a long horizontal stroke at the end.

David H. Sanger
Authorised signatory for
Shell Corporate Secretary Limited
Company Secretary
21 October 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SHELL BELVEDERE LIMITED

We have audited the financial statements of Shell Belvedere Limited for the year ended 31 December 2007, which comprise the profit and loss account, the balance sheet, and the related notes. These accounts have been prepared under the accounting policies set out therein.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

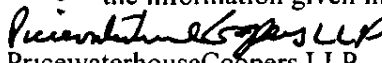
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

21 October 2008

1, Embankment Place,
LONDON, WC2N 6RH

SHELL BELVEDERE LIMITED
PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2007

Continuing operations

	Note	2007 £ '000	2006 £ '000
Administrative expenses		-	(105)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES	2	-	(105)
BEFORE TAX			
Tax on (loss) on ordinary activities	3	-	(3,321)
PROFIT/(LOSS) FOR THE YEAR		-	(3,426)

The reported result on ordinary activities and the amount retained for the year are presented on a historical cost basis

There were no recognised gains and losses other than the result for the current year and the loss for prior year and accordingly a statement of total recognised gains and losses has not been presented

SHELL BELVEDERE LIMITED**BALANCE SHEET**

As at 31 December 2007

	Note	2007 £ '000	2006 £ '000
CURRENT ASSETS			
Debtors	4	1,844	1,844
		<u>1,844</u>	<u>1,844</u>
NET ASSETS			
		<u>1,844</u>	<u>1,844</u>
CAPITAL AND RESERVES			
Called up share capital	5	14,800	14,800
Profit and loss account	6	(12,956)	(12,956)
		<u>1,844</u>	<u>1,844</u>
EQUITY SHAREHOLDERS' FUNDS			
	6	<u>1,844</u>	<u>1,844</u>

The accounts on pages 4 to 9 were approved by the Board of Directors on 21 October 2008 and were signed on its behalf by



M R Napier
Director

SHELL BELVEDERE LIMITED

NOTES TO THE ACCOUNTS

For the year ended 31 December 2007

1 Accounting policies

a) Accounting convention and compliance with Accounting Standards

The accounts have been prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 1985, applicable Accounting Standards in the UK, and the accounting policies as described below

There have been no changes in accounting policies in 2007

b) Group accounts

The immediate parent company is The Shell Petroleum Company Limited

The ultimate parent company is Royal Dutch Shell, which is incorporated in the UK

The accounts of the Company are incorporated in the annual report and accounts of Royal Dutch Shell

Copies of the annual report and accounts of Royal Dutch Shell are available from

Royal Dutch Shell plc
c/o Bankside
Tel +44 (0)1635 232700
email bbs@shellbankside.co.uk

c) Tax

The Company records a tax charge or credit in the profit and loss account calculated at the tax rate prevailing in the year for tax payable to the HM Revenue and Customs, or for group relief to surrender to or to be received from other Group undertakings, and for which payment may be requested

In the event that payment should be made at a rate different from the tax rate prevailing in the current year, adjustments would be taken up to reflect the rate differential

d) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profit and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

SHELL BELVEDERE LIMITED

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 December 2007

1. Accounting policies (Continued)

d) Deferred tax (Continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on the sale has been recognised in the accounts. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Amounts relating to deferred tax are undiscounted.

e) Netting-off policy

Balances with other companies of the Shell Group, are stated gross, unless all of the following conditions are met:

- (i) Currently has a legally enforceable right to set off the recognised amounts, and
- (ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

f) Cash flow statement

In accordance with the exemption allowed by paragraph 5(a) of Financial Reporting Standard 1, a cash flow statement for the Company has not been provided.

g) Related party disclosures

In accordance with the exemption allowed by paragraph 3(c) of Financial Reporting Standard 8, no disclosure is made of transactions with other member companies of the Shell Group or investees of the Group qualifying as related parties.

2. Loss on ordinary activities before tax

The Company had no employees during 2007 (2006 Nil).

None of the Directors received any emoluments (2006 Nil) in respect of their services to the Company.

Audit fees of GBP £9k (2006 £19K) were paid by a fellow subsidiary undertakings on behalf of the Company in respect of audit work performed in the UK. There were no non-audit fees.

SHELL BELVEDERE LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2006****3. Tax on profit/(loss) on ordinary activities**

No charge to UK corporation tax arose for the year (2006 Charge £3,321k), as the Company did not trade during the year

	2007 £ '000	2006 £ '000
UK corporation tax at the standard rate of 30% (2006 30%)	-	-
Adjustments in respect of prior years	-	-
Tax imposed outside of the UK	-	-
Double tax relief	-	-
Total current tax charge	-	-
Deferred tax		
Effect of change in corporation tax rates	-	-
Origination and reversal of timing differences	-	3,321
Total deferred tax charge	-	3,321
Total tax charge	-	3,321

The tax assessed for the year differs from the standard rate of UK corporation tax (30%) The differences are explained below

	2007 £ '000	2006 £ '000
Profit/(loss) on ordinary activities before tax	-	(105)
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 30% (2006 30%)	-	(32)
Effects of		
Expenses not deductible	-	32
Current tax charge for the year	-	-

SHELL BELVEDERE LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2006****4. Debtors**

	2007	2006
	Within	Within
	1 Year	1 Year
	£ '000	£ '000
Amounts owed by Parent undertakings	1,844	1,844
	<u>1,844</u>	<u>1,844</u>

5. Called up share capital

	2007	2006
	£ '000	£ '000
Authorised		
14,800,000 (2006 14,800,000) ordinary shares of £1 each	14,800	14,800
Allotted, called up and fully paid		
14,800,000 (2006 14,800,000) ordinary shares of £1 each	14,800	14,800

6. Reconciliation of movements in reserves and shareholders' funds

	Share capital	Profit and loss account	Shareholders' funds
	£ '000	£ '000	£ '000
At 1 January 2006	14,800	(9,530)	5,270
Loss for the year	-	(3,426)	(3,426)
At 1 January 2007	14,800	(12,956)	1,844
Result for the year	-	-	-
At 31 December 2007	14,800	(12,956)	1,844

7. Post balance sheet events

There are no post balance sheet events