

Registration number: 04605519

Shell Chemicals Support Services Asia Limited

Annual Report

and

Financial Statements

For the year ended 31 December 2017



Shell Chemicals Support Services Asia Limited

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Shell Chemicals Support Services Asia Limited

Director's report for the year ended 31 December 2017

The Director presents her report and the financial statements of Shell Chemicals Support Services Asia Limited (also referred to as the "Company") for the year ended 31 December 2017. The Company has taken the advantage of the small companies' exemption available under section 415A and 414B of the Companies Act 2006 and has not prepared a strategic report nor given certain disclosures in the Directors' report from which it is exempt.

The Company is one of the entities within the "Shell Group". In this context the term "Shell Group" and "Companies of the Shell Group" or "Group companies" means companies where Royal Dutch Shell plc, either directly or indirectly, is exposed to, or has rights to, variable returns from its involvement with the Company and has the ability to affect those returns through its power over the Company. Companies in which Group companies have significant influence but not control are classified as "Associated companies". Royal Dutch Shell plc, a company incorporated in England and Wales, is known as the "Parent Company" of the Shell Group. In this Report "Shell", "Shell Group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell and its subsidiaries in general. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

The Directors' report and audited accounts of the Company have been prepared in accordance with the Companies Act 2006.

Business review

The principal activity of Shell Chemicals Support Services Asia Limited is the provision of non-technical support services for the CNOOC and Shell Petrochemicals Company Limited Joint Venture ("CSPC").

The original contract between CSPC and the Company envisaged services until 31 October 2012, however a reduced number of services were still required by CSPC. Accordingly, the Company entered into a new marketing contract with CSPC from 1 November 2012 to provide advice on health and safety issues and any other services requested by CSPC. The new marketing contract excluded the general services, IT related services and provision of international staff which were part of the original contract and moved from a fixed fee basis to fees from specific work orders only. The contract was valid till 31 October 2017 and has not been renegotiated.

The management does not intend for the Company to undertake alternative activities. Hence, as part of the Legal Entity Rationalisation process, the Company has been identified for liquidation. Consequently, the financial statements have not been prepared on a going concern basis.

The Company's loss for the financial year decreased from £12,000 to £11,000. This is principally due to decreased interest expenses.

Shell Chemicals Support Services Asia Limited

Director's report for the year ended 31 December 2017 (continued)

Director of the Company

The directors, who held office during the year, and to the date of this report were as follows:

Nicola Simpson (appointed 6 March 2017)

S. Liow (resigned 8 March 2017)

Financial risk management

The Company's Director is required to follow the requirements of Shell Group risk management policies, which include specific guidelines on the management of market, credit and liquidity risk, and advice on the use of financial instruments to manage them. Shell Group risk management policies can be found in the Group Report (see pages 82 to 83 and note 19).

Events after the end of the reporting period

Refer to note 11 "Events after the end of the reporting period".

Statement of Director's responsibilities

The Director acknowledges her responsibility for preparing the Director's Report, and the Company's accounts in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Director must not approve the financial statements unless she is satisfied that they 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 these financial statements, the Director is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. As indicated in the "Business Review" under the Director's Report and Note 1 to the Financial Statements, the current year Financial Statements have not been prepared on a going concern basis and have instead been prepared on a break up basis.

The Director is 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 her to ensure that the Financial Statements comply with the Companies Act 2006. She is 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 Chemicals Support Services Asia Limited

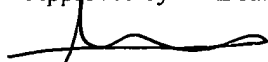
Director's report for the year ended 31 December 2017 (continued)

Statement of Director's responsibilities (continued)

Disclosure of information to the auditors

The Director has taken steps that she ought to have taken as a Director in order to make herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Director confirms that there is no relevant information that she knows of and of which she knows the auditor is unaware.

Approved by the Board on 8 June 2018 and signed on its behalf by:



.....
Juwon Osundina
Authorised Signatory for Shell Corporate Secretary Limited
Company secretary

Independent Auditor's Report to the Member of Shell Chemicals Support Services Asia Limited

Opinion

We have audited the financial statements of Shell Chemicals Support Services Asia Limited (the "Company") for the year ended 31 December 2017, which comprise the Profit and loss account, Balance sheet, Statement of changes in equity, and the related notes 1 to 11, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice). As disclosed in Note 1 to the Financial Statements, these Financial Statements have been prepared on a break up basis.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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.

**Independent Auditor's Report to the Member of Shell Chemicals Support Services Asia Limited
(continued)**

Other information

The other information comprises the information included in the annual report set out on pages 1 to 3, other than the financial statements and our auditor's report thereon. The Director is responsible for the other information.

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 this regard.

Opinions on other matter 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a Strategic Report.

**Independent Auditor's Report to the Member of Shell Chemicals Support Services Asia Limited
(continued)**

Responsibilities of the Director

As explained more fully in the Statement of Director's responsibilities set out on page 2, the Director is 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 Director determines 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 Director is 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 Director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

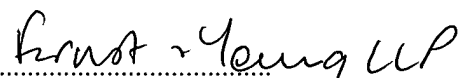
Auditor's responsibilities for the audit of the financial statements

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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.



William Testa (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 13 June 2018

Shell Chemicals Support Services Asia Limited

Profit and loss account for the year ended 31 December 2017

Discontinued Operations

	Note	2017 £ 000	2016 £ 000
Turnover	2	42	-
Cost of sales		<u>(42)</u>	<u>-</u>
GROSS RESULT		-	-
Administrative expenses		<u>(13)</u>	<u>(14)</u>
OPERATING LOSS	5	<u>(13)</u>	<u>(14)</u>
LOSS BEFORE INTEREST AND TAXATION		(13)	(14)
Interest receivable and similar income	3	1	2
Interest payable and similar charges	4	<u>(2)</u>	<u>(3)</u>
LOSS BEFORE TAXATION		(14)	(15)
Tax credit	7	<u>3</u>	<u>3</u>
LOSS FOR THE YEAR		<u>(11)</u>	<u>(12)</u>

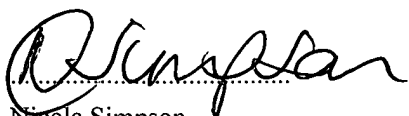
The loss for the current year and the loss for the prior year are equal to the total comprehensive income and accordingly a statement of comprehensive income has not been presented.

Shell Chemicals Support Services Asia Limited

(Registration number: 04605519)
Balance sheet as at 31 December 2017

	Note	2017 £ 000	2016 £ 000
Current assets			
Debtors	8	577	589
Creditors: Amounts falling due within one year	9	<u>(3)</u>	<u>(4)</u>
Total assets less current liabilities		<u>574</u>	<u>585</u>
Net assets		<u>574</u>	<u>585</u>
Equity			
Called up share capital	10	564	564
Profit and loss account		<u>10</u>	<u>21</u>
Total equity		<u>574</u>	<u>585</u>

The accounts on pages 7 to 17 were authorised for issue by the director on 8 June 2018



Nicola Simpson

Director

Shell Chemicals Support Services Asia Limited

Statement of changes in equity for the year ended 31 December 2017

	Called up Share Capital £ 000	Profit and loss account £ 000	Total £ 000
Balance as at 01 January 2016	564	33	597
Loss for the year	-	(12)	(12)
Balance as at 31 December 2016	564	21	585
Balance as at 01 January 2017	564	21	585
Loss for the year	-	(11)	(11)
Balance as at 31 December 2017	564	10	574

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017

General information

The Company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is: Shell Centre, SE1 7NA, London, SE1 7NA, United Kingdom (UK).

1 Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, which involves the application of International Financial Reporting Standards ("IFRS") with a reduced level of disclosure. The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

As described in the Director's Report and Note 11, in the light of the Company's expected dissolution in 2018, these Financial Statements have not been prepared on a going concern basis and have instead been prepared on a break up basis. This has resulted in all assets and liabilities being classified as short term as the intention is to settle all balances within 12 months after the reporting date there is no other material impact on the measurement or recognition of balances arising from the preparation of accounts on a basis other than going concern.

As applied to the Company, there are no material differences between EU endorsed IFRS and IFRS as issued by the International Accounting Standards Board.

The accounting policies have been consistently applied.

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

The following exemptions from the disclosure requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1 'Presentation of financial statements';
 - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliation between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - (i) 10(d), (statement of cash flows);
 - (ii) 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - (iii) 16 (statement of compliance with all IFRS);
 - (iv) 38A (requirement to present a minimum of two statements for each of the primary financial statements, including cash flow statements and related notes);
 - (v) 38B-D (additional comparative information);
 - (vi) 40A-D (requirements for a third balance sheet);
 - (vii) 111 (cash flow statement information); and
 - (viii) 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

Consolidation

The immediate parent company is Shell Overseas Holdings Limited.

The ultimate parent company and controlling party is Royal Dutch Shell plc, which is incorporated in England and Wales. Royal Dutch Shell plc is the parent undertaking of the smallest and largest group to consolidate these accounts.

The consolidated accounts of Royal Dutch Shell plc are available from:

Royal Dutch Shell plc
Tel: +31 888 800 844
email: order@shell.com
Registered office: Shell Centre, London, SE1 7NA

Taxation

The tax credit for the period comprises the current tax credit and is recognised in profit or loss.

Current tax

The current income tax credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date for tax payable to 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.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(ii) Transaction and balances

Income and expense items denominated in foreign currencies are translated into £ at the rate ruling on their transaction date.

Monetary assets and liabilities recorded in foreign currencies have been expressed in £ at the rates of exchange ruling at the year end. Differences on translation are included in the profit and loss account. Non-monetary assets and liabilities denominated in a foreign currency are translated using exchange rates at the date of the transaction. No subsequent translations are made once this has occurred.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss; loans and receivables; and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and trade and other receivables

Loans and trade and other receivables are initially recognised at fair value based on the amounts exchanged and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

Financial liabilities

The Company classifies its financial liabilities in the following categories: at fair value through profit or loss; and amortised cost. The classification depends on the nature of the underlying liabilities, with management determining the classification of financial liabilities at initial recognition.

Loans and trade and other creditors

Loans and trade and other payables are initially recognised at fair value based on amounts exchanged, net of transaction, and subsequently at amortised cost. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Turnover

Turnover represents amounts receivable (excluding value added tax) for the supply of services to Group and Associated companies provided in the ordinary course of business which is recognised when the cost are incurred and services are delivered.

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

Netting off policy

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

- Currently there is a legally enforceable right to set off the recognised amounts; and
- There is intent either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2 Turnover

The analysis of the Company's turnover for the year from discontinued operations is as follows:

	2017 £ 000
Rendering of services	42
	<u>42</u>

Geographical market

Turnover comprises the rendering of services to the joint venture located in China.

3 Interest receivable and similar income

	2017 £ 000	2016 £ 000
Interest from Group undertakings:		
Fellow subsidiary undertakings	<u>1</u>	<u>2</u>
	<u>1</u>	<u>2</u>

4 Interest payable and similar charges

	2017 £ 000	2016 £ 000
Loss on currency translation - Financial	<u>(2)</u>	<u>(3)</u>
	<u>(2)</u>	<u>(3)</u>

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

5 Operating profit

The Company had no employees during 2017 (2016: none).

None of the Directors received any emoluments (2016: none) in respect of their services to the Company.

6 Auditors' remuneration

The Auditors' remuneration of £8,500 (2016: £11,760) in respect of the statutory audit was borne by Shell International Limited for both the current and preceding years.

7 Tax on loss

Tax credit in the profit and loss account

The tax credit for the year of £ 3,000 (2016: credit of £3,028) is made up as follows:

	2017 £ 000	2016 £ 000
Current taxation		
UK corporation tax	(3)	(3)
Total current tax credit	(3)	(3)
Total deferred tax charge	-	-
Tax credit in the profit and loss account	<u>(3)</u>	<u>(3)</u>

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

7 Tax on loss (continued)

Reconciliation of total tax credit

The tax on loss before tax for the year is the same as the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%).

The differences are reconciled below:

	2017 £ 000	2016 £ 000
Loss before tax	14	15
Tax credit on loss calculated at standard rate] (2017- 19.25%) (2016- 20.00%)	<u>(3)</u>	<u>(3)</u>
Total tax credit	<u>(3)</u>	<u>(3)</u>

UK Finance Act (No 2) Act 2015 which introduced reductions in the UK corporation tax rate to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020 was enacted on 15 November 2015.

UK Finance Act 2016 which introduced further reductions in the UK corporation tax rate to 17% effective 1 April 2020 was enacted on 15 September 2016.

8 Debtors

Debtors due within 1 year as at 31 December are as follows:

	2017 £ 000	2016 £ 000
Amount owed by Group undertakings:		
Parent undertakings	43	43
Fellow subsidiary undertakings	527	540
Tax receivable	<u>7</u>	<u>6</u>
	<u>577</u>	<u>589</u>

Shell Chemicals Support Services Asia Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

8 Debtors (continued)

The amounts owed by fellow subsidiary undertakings include at 31 December 2017 is £ 527,000 (2016: £ 540,000) of cash balance deposits with Shell Treasury Centre Limited, which provides banking services to the Company.

Amounts owed by the Group Undertakings are payable upon demand bearing interest rate ranging from 0.0835% to 0.3360%

9 Creditors: amounts falling due within one year

	2017 £ 000	2016 £ 000
Amount owed to Group undertakings		
Fellow subsidiary undertakings	(3)	(4)
	<u>(3)</u>	<u>(4)</u>

10 Called up share capital

Allotted, called up and fully paid shares

	No.	2017 £ 000	No.	2016 £ 000
Ordinary Shares of £1 each	564,000	564	564,000	564

11 Events after the end of the reporting period

As noted in the Director's Report, the contract with CSPC expired on 31 October 2017 and the contract has not been renegotiated. The management does not intend for the Company to undertake alternative activities. Hence, as part of the Legal Entity Rationalisation process, the Company has been identified for liquidation and intends to initiate the process during the latter part of the year 2018.