

SLADES TRUST LIMITED

DIRECTORS' REPORT

AND ACCOUNTS

1998

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SLADES TRUST LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Annual Report and accounts for the year ended 31st December 1998.

DIRECTORS

The Directors of the Company during the year ended 31st December 1998 were as follows:

R.N. Gaskell (appointed 31/12/98)
J.F. Leeuwerik
J.E. Munsiff

R.B. Langtry
T.D.R. Morrison

Since the year end, T.D.R. Morrison and R.B. Langtry have resigned. Directors' interests in shares, pursuant to the Companies Act 1985, are set out in Note 2 to the accounts.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company is dormant within the meaning of Section 250 (3) of the Companies Act 1985.

The Company has carried on no business activity during the year and accordingly there is no Profit and Loss Account to lay before the Members.

The Directors recommend that no dividend be paid for the year ended 31st December 1998.

YEAR 2000

The Company has no computer systems of its own. It uses the systems of the Royal Dutch/Shell Group of Companies whose readiness for the year 2000 is being addressed by the Group Year 2000 programme. The Company will not incur any costs relating to this work.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR PREPARATION OF THE FINANCIAL STATEMENTS

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:

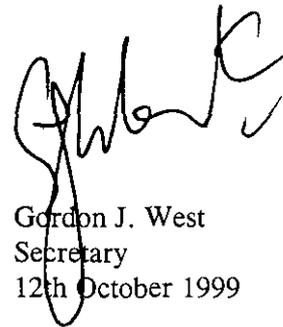
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors 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.

ELECTIVE REGIME

The Company has passed an Elective Resolution in accordance with the Companies Act 1985 to dispense with the holding of annual general meetings, and the laying of accounts and reports before general meeting. However, pursuant to Section 253(2) of the Companies Act 1985, any Member of the Company may require the accounts and reports to be laid before a general meeting by depositing a notice to that effect at the registered office of the Company not later than 28 days after the despatch of the accounts and reports to the Members.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'G. West', is written over the typed name and title.

Gordon J. West
Secretary
12th October 1999

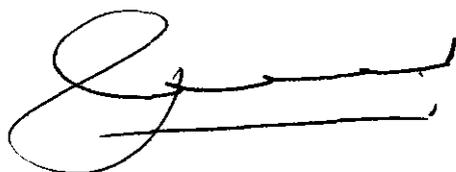
SLADES TRUST LIMITED

BALANCE SHEET - at 31st December

	<u>Note</u>	<u>1998</u> £	<u>1997</u> £
CURRENT ASSET			
Debtors: amounts owed by Parent Undertaking		<u>100,000</u>	<u>100,000</u>
NET CURRENT ASSETS		<u>100,000</u>	<u>100,000</u>
CAPITAL & RESERVES			
Equity Interests:			
Called up share capital	3	<u>100,000</u>	<u>100,000</u>
Shareholders' funds		<u>100,000</u>	<u>100,000</u>

The Company was dormant within the meaning of section 250 (3) of the Companies Act 1985 throughout the year ended 31st December 1998.

The accounts were approved by the Board of Directors on 12th October 1999 and were signed on its behalf by:



J.F. Leeuwerik
Director

SLADES TRUST LIMITED

NOTES TO THE ACCOUNTS - for the year ended 31st December 1998

1. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

b) Compliance with Accounting Standards

The financial statements have been prepared in accordance with applicable accounting standards.

c) Group Accounts

The Company is a wholly-owned subsidiary undertaking of The Shell Petroleum Company Limited which, in turn, is a subsidiary undertaking of N.V. Koninklijke Nederlandsche Petroleum Maatschappij (Royal Dutch Petroleum Company) which owns 60% of its share capital, the remaining 40% being owned by The "Shell" Transport and Trading Company, p.l.c. (Shell Transport). The Royal Dutch Petroleum Company has the right to appoint the majority of the Directors of The Shell Petroleum Company Limited.

The Ultimate Parent Company is N.V. Koninklijke Nederlandsche Petroleum Maatschappij (Royal Dutch Petroleum Company) which is incorporated in the Netherlands.

The accounts of the Company are incorporated in the financial statements of the Royal Dutch/Shell Group of Companies which are included in the Annual Reports of Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company, p.l.c.

Copies of the financial statements of the Royal Dutch/Shell Group of Companies are available from:

Group Investor Relations
SLBPA Division
Shell Centre
London
SE1 7NA
UK

2. Directors

- a) Information relating to Directors' emoluments and pensions pursuant to section 232 of and schedule 6 to the Companies Act 1985

None of the Directors received any emoluments (1997 - nil) in respect of their services to the Company.

- b) Directors' interests in shares of Royal Dutch Petroleum Company

The interest of the Directors of the Company in shares of Royal Dutch under share option schemes as recorded in the Register of such interests were as follows:

	<u>Royal Dutch Ordinary Shares N.Fl. 1.25</u>			
	<u>Options</u>			<u>Options</u>
	<u>Outstanding</u>	<u>Options</u>	<u>Options</u>	<u>Outstanding</u>
	<u>1st January</u>	<u>Granted</u>	<u>Exercised</u>	<u>31st December</u>
	<u>1998</u>			<u>1998</u>
J.F. Leeuwerik	7,200	2,400	-	9,600

According to the Register of Directors' interests, no other Directors had any such interests in the above-named undertaking nor in any other undertaking requiring disclosure under the Companies Act 1985.

BALANCE SHEET

3. Called-up share capital

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
100,000 Authorised, allocated and fully paid ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>