

# **BG Group Employee Shares Trustees Limited**

## **Annual Report and Financial Statements**

**For the year ended 31 December 2015**

**Company Registration Number: 3167150**

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## **Directors' report for the year ended 31 December 2015**

The Directors present their report and the audited Financial Statements for BG Group Employee Shares Trustees Limited (the "Company") for the year ended 31 December 2015. The Company has taken advantage of the small companies' exemptions available under Sections 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 was incorporated on 27 February 1996 and is a wholly owned subsidiary of BG Energy Holdings Limited.

The Company was established to act as the trustee of the BG Group Employee Profit Sharing Scheme (the 'Profit Sharing Scheme'), an Inland Revenue approved employee share scheme established for the benefit of employees of participating subsidiary undertakings of BG Group plc in accordance with the terms of the Trust Deed and Rules dated 13 March 2000. The Profit Sharing Scheme ceased to operate in 2002 with the last transfer to participants taking place in April 2004.

No shares have been awarded to participants under the Profit Sharing Scheme since 2001 and as the Profit Sharing Scheme ceased to operate in 2002, no further awards will be made. All shares appropriated by the Trust have now been transferred to participants in the Profit Sharing Scheme but the Company still holds unclaimed dividends in relation to the Profit Sharing Scheme.

There have not been any changes in the Company's activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

### **Results**

The Company has no income for the year ended 31 December 2015 (2014: £nil) and has incurred no expenditure (2014: £nil). Each participating company is required to pay all of the costs and expenses incurred by the trustees in the establishment, operation and determination of the Profit Sharing Scheme.

### **Post balance sheet events**

#### **Shell combination**

On 8 April 2015, the Boards of Royal Dutch Shell plc ("Shell") and BG Group plc announced that they had reached agreement on the terms of a recommended cash and share offer to be made by Shell for the entire issued and to be issued share capital of BG Group plc (the "Combination") to be effected by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006 (the "Scheme"). On 27 January 2016, Shell shareholders voted to approve the Combination and on 28 January 2016, BG Group plc shareholders voted to approve the Scheme at a court-convened meeting and to approve a special resolution to implement the Scheme, including amendments to the BG Group plc articles, at a general meeting of BG Group plc. Following a court hearing on 11 February 2016, the Scheme became effective on 15 February 2016.

On 30 March 2016, BG Group plc re-registered as a private limited company, BG Group Limited.

## **Directors' report for the year ended 31 December 2015 continued**

### **Directors**

The following served as Directors during the year and up to the date of this report, unless otherwise shown:

C S Barry (resigned 31 July 2016)

R L Dunn (resigned 31 August 2015)

C L Ennett (appointed 1 September 2015 and resigned 31 July 2016)

The following Directors were appointed after the year end:

M Ashworth (appointed 31 July 2016)

Shell Corporate Director Limited (appointed 31 July 2016)

### **Company Secretaries**

The following served as joint Company Secretaries during the year and up to the date of this report, unless otherwise shown:

C S Barry (resigned 31 July 2016)

R L Dunn (resigned 31 May 2016)

The following Secretary was appointed after the year end:

Shell Corporate Secretary Limited (appointed 31 July 2016)

### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, Ernst and Young LLP (the auditors) are deemed to have been reappointed and remain in office as the auditors of the Company.

### **Statement as to disclosure of information to auditors**

As required by Sections 418 and 419 of the Companies Act 2006, each of the Directors has approved this report and confirmed that, so far as he is aware, there is no relevant audit information (being information needed by the auditors in connection with preparing their audit report) of which the Company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## Directors' report for the year ended 31 December 2015 continued

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable 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 FRS 101 'Reduced Disclosure Framework' (FRS 101). The Financial Statements are required by law to 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 year.

The Directors consider that in preparing the Financial Statements on pages 6 to 11 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all applicable accounting standards have been followed and that the Financial Statements have been prepared on the going concern basis. The Company has complied with UK disclosure requirements.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enables them to ensure that the Financial Statements comply with the Companies Act 2006.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors, having prepared the Financial Statements, have requested the auditors to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.

The Directors' report has been prepared in accordance with the provisions applicable to small companies.

By order of the Board:



Shell Corporate Secretary Limited  
Company secretary

Date: 30/09/2016

Registered Office:  
Shell Centre  
London  
SE1 7NA

Registered in England and Wales No. 3167150

## **Independent auditor's report to the member of BG Group Employee Shares Trustees Limited**

We have audited the Financial Statements of BG Group Employee Shares Trustees Limited for the year ended 31 December 2015 which comprise the Income statement, the Balance sheet and the Statement of changes in equity and the related notes, set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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.

### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' responsibilities (set out on page 3), the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for auditors.

### **Scope of the audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on Financial Statements**

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101, 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent auditor's report to the member of BG Group Employee Shares Trustees Limited continued**

**Opinion 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 Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report.

**Matters on which we are required to report by exception**

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 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 in not preparing the Strategic report and take advantage of the small companies' exemption in preparing the Directors' report.



Gary Donald  
(Senior Statutory Auditor)  
For and on behalf of Ernst and Young LLP, Statutory Auditor  
London

Date: 30/9/16

## **Income statement for the year ended 31 December**

The Company has not traded during the financial year, has received no income (2014: £nil) and incurred no expenditure (2014: £nil). Consequently, during the year, the Company has made neither a profit nor a loss (2014: £nil) and nor was there any other comprehensive income (2014: £nil) and, therefore, a separate statement of comprehensive income has not been presented.

The notes on pages 9 to 11 form part of these Financial Statements.



**Balance sheet as at 31 December**

	Notes	2015 £	2014 £
<b>Current assets</b>			
Trade and other receivables	4	<u>16,550</u>	<u>16,617</u>
<b>Total assets</b>		<u>16,550</u>	<u>16,617</u>
<b>Current liabilities</b>			
Trade and other payables	5	<u>(16,549)</u>	<u>(16,616)</u>
<b>Total liabilities</b>		<u>(16,549)</u>	<u>(16,616)</u>
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Equity</b>			
Called up share capital	6	1	1
Retained earnings		<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>1</u>	<u>1</u>

The Financial Statements on pages 6 to 11 were approved by the Board of Directors and were signed on its behalf by:

  
M Ashworth

Director

Date: 30/09/2016

**Statement of changes in equity**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
At 1 January 2014	<b>1</b>	-	<b>1</b>
Result for the year	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-
<b>At 31 December 2014</b>	<b>1</b>	-	<b>1</b>
Result for the year	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-
<b>At 31 December 2015</b>	<b>1</b>	-	<b>1</b>

## Notes to the Financial Statements

### 1 Ultimate parent undertaking

The immediate parent undertaking is BG Energy Holdings Limited. During the year, and up to the effective date of the Combination (see note 7), the ultimate parent undertaking and controlling party was BG Group plc.

BG Group plc is the parent undertaking of the largest group to consolidate these Financial Statements. The smallest group into which the Company is consolidated is that of which BG Energy Holdings Limited is the parent undertaking. With effect from 30 March 2016, BG Group plc re-registered as a private limited company. BG Group Limited and BG Energy Holdings Limited are both registered in England and Wales. Copies of the Group consolidated accounts may be obtained from the Company Secretary, Shell Centre, London SE1 7NA.

Following the Combination, the ultimate parent undertaking and controlling party is Royal Dutch Shell plc.

### 2 Accounting policies

#### Basis of preparation and accounting principles

These accounts have been prepared on the going concern basis and in accordance with applicable law in the United Kingdom and Financial Reporting Standard 101, 'Reduced disclosure framework', adopted in 2015, including the July 2015 amendments to FRS 101 and adoption of the IAS 1 primary statement formats, and applicable accounting standards. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### Summary of disclosure exemptions

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

- (a) IFRS 7, 'Financial instruments: disclosures'.
- (b) Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement'.
- (c) Paragraph 38 of IAS 1, 'Presentation of financial statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, 'Presentation of financial statements';
- (d) 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'.
- (e) IAS 7, 'Statement of cash flows'.
- (f) Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors'.
- (g) Paragraphs 17 and 18A of IAS 24, 'Related party disclosures'.
- (h) The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- (i) Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets'.

#### Financial instruments

Loans not in a fair value hedging relationship, receivable and payable balances are initially recognised at fair value and subsequently carried at amortised cost less impairments.

## Notes to the Financial Statements continued

### 2 Accounting policies continued

#### Judgements and estimates

The preparation of financial statements in conformity with FRS 101 requires the Company to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from these estimates.

The Company believes that there are no specific judgements or estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3 Operating result

The Company has no income and under the provisions of the Trust Rules, all costs and expenses of the trustees (including the audit fee) are met by the immediate parent company, BG Energy Holdings Limited.

The auditor's remuneration of £2,165 (2014: £2,107) has been borne by BG Energy Holdings Limited and has not been recharged to the Company. Any fees paid to the Company's auditor and its associates for services other than the statutory audit of the Company are not disclosed in these accounts since the consolidated accounts of the Company's ultimate parent (see note 1) are required to disclose non-audit fees on a consolidated basis.

No Directors received remuneration in respect of their services to the Company during the year ended 31 December 2015 (2014: £nil).

The Company had no employees during the year (2014: nil).

### 4 Trade and other receivables

	2015 £	2014 £
<b>Current</b>		
Amounts owed by group undertakings	<u>16,550</u>	<u>16,617</u>
Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.		

### 5 Trade and other payables

	2015 £	2014 £
<b>Current</b>		
Unclaimed dividends	<u>16,549</u>	<u>16,616</u>
Dividends declared to participants in the Profit Sharing Scheme who have not claimed the dividend.		

## Notes to the Financial Statements continued

### 6 Called up share capital

#### Allotted and fully paid:

	No.	2015 £	No.	2014 £
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 7 Post balance sheet events

#### Shell combination

On 8 April 2015, the Boards of Shell and BG Group plc announced that they had reached agreement on the terms of a recommended cash and share offer to be made by Shell for the entire issued and to be issued share capital of BG Group plc to be effected by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006. On 27 January 2016, Shell shareholders voted to approve the Combination and on 28 January 2016, BG Group plc shareholders voted to approve the Scheme at a court-convened meeting and to approve a special resolution to implement the Scheme, including amendments to the BG Group plc articles, at a general meeting of BG Group plc. Following a court hearing on 11 February 2016, the Scheme became effective on 15 February 2016.

On 30 March 2016, BG Group plc re-registered as a private limited company, BG Group Limited.

### 8 Transition to FRS 101

For all periods up to and including the year-ended 31 December 2014, the Company prepared its Financial Statements in accordance with previously extant UK Generally Accepted Accounting Practice (UK GAAP). These Financial Statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101, 'Reduced disclosure framework'.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2014, the Company's date of transition to FRS 101, and made those changes in accounting policies required for the first-time adoption of FRS 101.

No restatements of the opening balance sheet as at 1 January 2014, the comparative balance sheet as at 31 December 2014, the income statement for the year-ended 31 December 2014 or other comprehensive income for the year ended 31 December 2014 were required on adoption of FRS 101.