Company Registration No. 2762847

Stolt-Nielsen M. S. Ltd

Annual Report and Financial Statements

For the Year Ended November 30, 2018

Stolt-Nielsen M. S. Ltd

Annual Report and financial statements
For the Year ended 2018

Contents

Stolt-Nielsen M. S. Ltd

Officers and professional advisers

Directors

J C Engelhardtsen
N G Stolt-Nielsen

Company Secretary

B Dastur

Registered office

4F Aldwych House
71-91 Aldwych
London
WC2B 6TD
United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants
and Statutory Auditors
The Atrium
1 Harefield Road
Uxbridge
UB8 1EX
United Kingdom

Stolt-Nielsen M. S. Ltd

Strategic Report

The Directors present their strategic report on Stolt-Nielsen M.S. Ltd ('the Company") for the year ended November 30, 2018.

Review of the business

The principal activity of the Company during the year was, and will continue to be, the provision of administrative and accounting services for its parent company Stolt-Nielsen M.S. Limited (Bermuda), a company incorporated in Bermuda.

Results and performance

The profit for the financial year, after taxation, amounted to £1,045,376 (2017: £1,075,759). The net assets as at November 30, 2018 amounted to £3,390,339 (2017: £734,300).

The performance of the Company has a significant dependence on the requirements of its parent company Stolt-Nielsen M.S. Limited (Bermuda), which in turn is dependent on the scale of operations within the operating companies of the Stolt-Nielsen Limited Group.

Strategy

As the Company's sole activity is in support of the operations of Stolt-Nielsen Limited Group, the Company's strategy is wholly dependent on the activities of its fellow subsidiaries.

Principal risks and financial risk management

Due to simple operations and cost plus nature principal risks are limited. The credit risk, liquidity risk and cash flow risk are deemed low due to financing being obtained from group undertakings.

Approved by the Board of Directors
and signed on behalf of the Board

J C Engelhardtsen
Director

21 August 2019

Stolt-Nielsen M. S. Ltd

Directors' Report

The Directors present their report on the affairs of the Company, together with the audited financial statements for the year ended November 30, 2018.

Principal activities

The principal activity of the Company during the year was, and will continue to be, the provision of administrative and accounting services for its parent company Stolt-Nielsen Limited M.S. (Bermuda), a company incorporated in Bermuda.

Results

The profit for the financial year, after taxation, amounted to £1,045,376 (2017: £1,075,759). The net assets as at November 30, 2018 amounted to £3,390,339 (2017: £734,300).

Amounts due to and from Group undertakings

All balances are non-interest bearing and have maturity dates within five years.

Charitable contributions

During the year the Company made charitable donations of £1,100 (2017: £23,120) in the United Kingdom.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

J C Engelhardtsen
N G Stolt-Nielsen

Directors' indemnities

The Company maintains liability insurance for its Directors and officers. Following shareholder approval, the Company has also provided an indemnity for its Directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

Statement of disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- as far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director 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.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 (1) to (4) of the Companies Act 2006.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Stolt-Nielsen M. S. Ltd

Directors' Report

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Approved by the Board of Directors
and signed on behalf of the Board

J C Engelhardtsen
Director

21 August 2019

Independent auditors' report to the members of Stolt-Nielsen M. S. Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Stolt-Nielsen M. S. Ltd 's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 November 2018; the income statement, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Stolt-Nielsen M. S. Ltd (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 November 2018 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 did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Hitesh Haria (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
August 2019

Stolt-Nielsen M.S. Ltd

Income statement
For the year ended November 30, 2018

	Note	2018 £	2017 £
Turnover	3	**11,291,329**	10,354,804
Administrative expenses		**(9,906,656)**	(9,001,107)
Operating profit		**1,384,673**	1,353,697
Interest payable and similar expenses	4	**(590)**	(162)
Profit before taxation	6	**1,384,083**	1,353,535
Tax on profit	9	**(338,707)**	(277,776)
Profit for the financial year		**1,045,376**	1,075,759

All results were derived from continuing operations.

There is no material difference between the profit on before taxation and the retained profit for the year stated above and their historical cost equivalents.

Stolt-Nielsen M. S. Ltd

Statement of comprehensive income
For the year ended November 30, 2018

	2018 £	2017 £
Profit for the financial year	**1,045,376**	1,075,759
Other comprehensive income (loss):		
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gain on pension plans	**1,940,557**	1,014,495
Deferred tax charge on actuarial gains on pension plans	**(329,894)**	(172,464)
Total comprehensive income	**2,656,039**	1,917,790

Stolt-Nielsen M. S. Ltd

Statement of financial position
As at November 30, 2018

	Note	2018 £	2017 £ (as restated)
Fixed assets			
Tangible assets	10	**581,434**	526,758
Current assets			
Debtors	11	**24,964,125**	13,379,093
Other current assets		**15,525**	204,891
Cash at bank and in hand		**134,940**	144,599
		25,114,590	13,728,583
Creditors: amounts falling due within one year	12	**(21,264,316)**	(10,584,435)
Net current assets		**3,850,274**	3,144,148
Total assets less current liabilities		**4,431,708**	3,670,906
Creditors: amounts falling due after more than one year	12	**(1,041,369)**	(2,936,606)
Net assets		**3,390,339**	734,300
Capital and reserves			
Called up share capital	16	**1,000**	1,000
Profit and loss account		**3,389,339**	733,300
Total shareholders' funds		**3,390,339**	734,300

The statement of financial position as at November 30, 2017 has been restated to include £921,671 of accruals related to the Company's long term incentive plan, presented under creditors: amounts falling due after more than one year, and £1,082,963 of amounts owed by group undertakings, presented under debtors, that were previously omitted in error (see Note 1a).

These financial statements on pages 7 to 22 were approved by the Board of Directors on 21 August 2019.

Signed on behalf of the Board of Directors

J C Engelhardtsen
Director

21 August 2019

Stolt-Nielsen M. S. Ltd

Statement of changes in equity
For the year ended November 30, 2018

	Share Capital £	(Accumulated losses) /Retained Earnings £	Total £
Balance at December 1, 2016 (as restated)	**1,000**	**(1,184,490)**	**(1,183,490)**
Profit for the financial year	-	**1,075,759**	**1,075,759**
Other comprehensive income:			
Actuarial gain on defined benefit pensions	-	**1,014,495**	**1,014,495**
Deferred tax on actuarial gain on defined benefit pensions	-	**(172,464)**	**(172,464)**
Balance at November 30 2017 (as restated)	**1,000**	**733,300**	**734,300**
Profit for the financial year	-	**1,045,376**	**1,045,376**
Other comprehensive income:			
Actuarial gain on defined benefit pensions	-	**1,940,557**	**1,940,557**
Deferred tax on actuarial gain on defined benefit pensions	-	**(329,894)**	**(329,894)**
Balance at November 30, 2018	**1,000**	**3,389,339**	**3,390,339**

Accumulated losses at December 1, 2016 and November 30, 2017 have been restated by £161,292 to include £921,671 of accruals related to the Company's long term incentive plan, presented under creditors: amounts falling due after more than one year, and £1,082,963 of amounts owed by group undertakings, presented under debtors, that were previously omitted in error (see Note 1a).

Stolt-Nielsen M. S. Ltd

Notes to the financial statements
For the year ended November 30, 2018

1. **Summary of significant accounting policies**

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

(a) Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

The financial statements are prepared under the historical cost convention on a going concern basis, in accordance with the Companies Act of 2006 and in accordance with applicable United Kingdom accounting standards.

The application of FRS 101 has enabled the Company to take advantage of certain disclosure exemptions. Significant exemptions adopted are:

- No disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities;
- No reconciliation of the number of shares outstanding at the beginning and at the end of the period;
- No statement regarding the potential impact of forthcoming changes in financial reporting standards;
- No disclosure of "key management compensation" for key management other than the directors;
- No disclosure relating to the Company's policy of capital management.
- No cash flow statement as its ultimate parent company, Stolt-Nielsen Limited, has prepared publicly available consolidated financial statements which include the results of the Company for the year.
- No disclosure of transactions with entities that are part of the Stolt-Nielsen Limited group ("Group") (see Note 17) because it is a wholly owned subsidiary of Stolt-Nielsen Limited.
- Exemption from the requirement of presenting the statement of financial position as at the beginning of the preceding period when an entity makes a retrospective restatement of its financial statements.

Prior period adjustment

In the years prior to 2017, the company had not accounted for its long term incentive plan (LTIP) in accordance with its scheme over the relevant service period. This resulted in the understatement of the LTIP accrual and related expense. Consequently, the corresponding turnover following its cost plus arrangement with its related party and related debtors account are also understated.

The company has adjusted for this error retrospectively in the financial statements in accordance to FRS 101. The amounts are as follows:

Statement of financial position

	30 November 2017	Adjustment	30 November 2017 (as restated)
Debtors	12,296,130	1,082,963	13,379,093
Creditors: amounts falling due after more than one year	(2,014,935)	(921,671)	(2,936,606)
Profit and loss account	(572,008)	(161,292)	(733,300)

In addition, the comparative header for the statement of financial position, as well as the impacted balance sheet item notes include the words "(as restated)". The prior period adjustment has no impact on the income statement and statement of other comprehensive income.

(b) Critical accounting estimates

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

(c) Tangible assets

Fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis on all fixed assets, at rates calculated to write-off costs, less estimated residual value, over their expected useful lives, as follows:

Leasehold improvements	-	over the lease term
Equipment & machinery	-	over 3 to 4 years
Furniture & fixtures	-	over 5 years

(d) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

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 have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore is 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.

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. Deferred tax is measured on a non-discounted basis.

(e) Foreign currencies

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.

Transactions denominated in foreign currencies are recorded at the actual exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

(f) Operating lease commitments

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term, even if the payments are not made on such a basis.

(g) Pensions

The Company participates in both a group defined benefit plan and a defined contribution plan.

For the defined contribution plan the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Company is the sponsor for a defined benefit plan that has members from one additional company that is under common control. It accounts for the entirety of the plan as a defined benefit plan and receives income for contributions relating to members from other Group companies.

The Company's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of the plan assets (at bid price) is deducted.

The liability discount rate for the plan is based on the yield curve of a portfolio of high-quality corporate bonds that have maturity dates approximating to the terms of the respective plan's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employees' service in the current year, benefit changes, curtailments and settlements.

When the benefits of a plan are increased, the increased benefit relating to past service by employees is recognised as an expense in the income statement immediately.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Where the calculation results in a benefit to the Company, the asset recognised is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Gains and losses on the curtailment or settlement of a defined benefit plan are recognised at the time the curtailment or settlement occurs. A curtailment occurs when the Company adopts a significant reduction in the number of employees covered by a plan or changes the terms of a defined benefit plan such that a significant part of future earnings to current employees will no longer qualify for benefits or will qualify only for reduced benefits.

2. Critical accounting estimates and judgements

Defined benefit pension plan

The Company operates a number of pension plans for its employees, where it has an obligation to pay pension benefits. The cost of these benefits and the present value of the obligation depend on a number of factors. These factors are life expectancy, salary increases, asset valuations and inflation assumptions. Management estimates these factors in determining net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See Note 15 for the disclosure of defined benefit pension plan.

Notes to the financial statements
For the year ended November 30, 2018

3. Turnover

Turnover represents amounts invoiced (exclusive of VAT) to the Company's parent company based in Bermuda and other subsidiaries of the Group for the provision of administrative and accounting services. It is determined based on the cost of services provided and is recognised in the period in which services are rendered.

4. Interest payable and similar expenses

	2018	2017
	£	£
Interest payable	**590**	162

5. Charitable donations

During the year the Company made charitable donations of £1,100 (2017: £23,120). Donations greater than £2,000 were nil (2017: Shelter - £6,500 and IMD Scholarship Fund - £10,000).

6. Profit before taxation

a) Profit before taxation is stated after charging:

	2018	2017
	£	£
Depreciation	**80,591**	61,562
Operating lease rentals – other	**557,968**	426,433

(b) Analysis of auditors' remuneration:

Fees payable to the Company's auditors for the audit of the Company's annual financial statements	**6,180**	6,000

The fees payable to the Company's auditors were borne by the parent company.

7. Staff costs

Employees, including Directors:

	2018	2017
	£	£
Wages and salaries	**3,655,170**	3,606,753
Social security costs	**831,936**	1,515,233
Other pension costs	**518,044**	552,792
Profit Sharing	**329,484**	384,059
Long Term Incentive Plan	**614,447**	542,358
Other staff costs	**482,021**	560,801
	6,431,102	7,161,996

Other pensions costs include the defined contribution plan contributions and the defined benefit plan charges disclosed in note 15.

The average monthly number of head office employees during the year was 29 (2017: 29).

Notes to the financial statements
For the year ended November 30, 2018

8. Directors' remuneration

The remuneration of Directors were as follows:

	2018	2017
	£	£
Emoluments	**824,064**	2,012,032
Pension costs	**141,100**	62,230
Board fees	**155,000**	-

No directors were members of the defined benefit pension plan (2017: nil). One director (2017: one) was a member of a defined contribution plan.

The emoluments, excluding pension contributions, of the highest paid director, were £709,518 (2017: £1,139,254). Personal pension contributions for this director were £63,989 (2017: £62,230).

The emoluments disclosed are those paid by the Company in relation to the services of the directors to the Stolt-Nielsen Group as a whole. The directors are the directors of a number of Group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each subsidiary.

9. Tax on profit

The tax charge comprises:

	2018	2017
	£	£
Current tax on profits for the year	**394,666**	188,569
Adjustments in respect of prior years	**(95,121)**	1,712
Total current tax	**299,545**	190,281
Deferred tax:		
- Current year	**31,059**	87,495
- Adjustments in respect of prior years	**8,103**	-
	338,707	277,776

The tax assessed for the year is higher (2017: higher) than the standard rate of corporation tax in the UK 19.00% (2017: 19.33%).

Notes to the financial statements
For the year ended November 30, 2018

9. Tax on profit (continued)

The tax charge for the year can be reconciled to the profit per the income statement as follows:

	2018	2017
	£	£
Profit before taxation	**1,384,083**	1,353,535
Tax on profit at standard UK tax rate of 19.00% (2017:19.33%)	**262,976**	261,659
Effects of:		
Expenses not deductible for tax purposes	**166,403**	26,405
Other timing differences	**-**	-
Impact of change in tax rates	**(3,654)**	(12,000)
Adjustments in respect of prior years	**(87,018)**	1,712
Total tax charge for the year	**338,707**	277,776

As part of the Finance Act 2016 published on 15 September 2016, the United Kingdom Corporation tax rate decreased from 20% to 19% from 1 April 2017 and will decrease from 19% to 17% from 1 April 2020. Deferred tax has been measured using the effective rate that will apply in the United Kingdom according when it is expected to reverse.

10. Tangible assets

	Construction In Progress	**Furniture & fittings**	**Leasehold improvements**	**Equipment & machinery**	**Total**
	£	**£**	**£**	**£**	**£**
Cost					
As at December 1, 2017	359,113	393,214	409,610	294,805	1,456,742
Additions	135,267	–	–	–	135,267
Reclassifications	(494,380)	21,553	472,827	–	–
As at November 30, 2018	–	414,767	882,437	294,805	1,592,009
Accumulated depreciation					
As at December 1, 2017	–	245,045	397,277	287,662	929,984
Charge for the year	–	11,807	64,116	4,668	80,591
As at November 30, 2018	–	256,852	461,393	292,330	1,010,575
Net book value					
As at November 30, 2017	359,113	148,169	12,333	7,143	526,758
As at November 30, 2018	–	**157,915**	**421,044**	**2,475**	**581,434**

Notes to the financial statements
For the year ended November 30, 2018

11. Debtors

	2018 £	2017 (as restated) £
Amounts falling due within one year:		
Amounts owed by group undertakings	**24,740,673**	12,675,351
Deferred tax asset	**38,885**	407,941
VAT recoverable	**8,975**	58,200
Other debtors	**175,592**	237,601
	24,964,125	13,379,093

Above amounts due from group undertakings are non-interest bearing, unsecured and repayable on demand.

12. Creditors

Amounts falling due within one year:

	2018 £	2017 £
Trade creditors	**215,295**	–
Amounts owed to group undertakings	**18,381,710**	8,664,254
UK corporation tax	**285,352**	21,807
Other taxation and social security	**170,987**	173,248
Accruals and deferred income	**2,210,972**	1,725,126
	21,264,316	10,584,435

Above amounts due to group undertakings are non-interest bearing, unsecured and repayable on demand.

Amounts falling due after more than one year:

	2018 £	2017 £ (as restated)
Defined benefit pension deficit (see Note 15)	**119,698**	2,014,935
Accruals	**921,671**	921,671
	1,041,369	2,936,606

Notes to the financial statements
For the year ended November 30, 2018

13. Deferred taxation

	2018	2017
	£	£
Balance at December 1	**407,941**	667,900
Amount charged to the profit and loss	**(31,059)**	(87,495)
Adjustments in respect of prior years	**(8,103)**	–
Other Comprehensive Income	**(329,894)**	(172,464)
Balance at November 30	**38,885**	407,941

The amounts of deferred taxation provided in the financial statement are:

	2018	2017
	£	£
Accelerated capital allowances	**3,111**	(82)
Other differences	**35,774**	408,023
Net deferred tax assets	**38,885**	407,941

14. Operating lease commitments

The company had the following future minimum lease payments under noncancelable operating leases for each of the following periods::

	2018		2017	
	Land and Buildings	**Other**	Land and Buildings	Other
	£	**£**	£	£
Operating leases which expire:				
– next year	**371,621**	–	–	–
– two to five years	**1,362,612**	–	1,734,233	–
– More than five years	–	–	–	–
Total operating lease commitments	**1,734,233**	–	1,734,233	–

Operating lease expenses for the year were £421,171 and related wholly to land and buildings.

Stolt-Nielsen M. S. Ltd

Notes to the financial statements
For the year ended November 30, 2018

15. Retirement benefit plans

During the year the Company operated a defined contribution plan and a defined benefit plan, whose assets are held separately from those of the Company in independently administered funds. From the 1st December 2018 the defined benefit scheme was frozen and no new contributions in respect of current employment will be made in the future. The scheme will continue to provide pensions for existing pensioners and no longer has any active participants. All employees are entitled to participate in the defined contribution plan.

The pension cost charge for the year in respect of the defined contribution pension plan was £416,834 (2017: £337,610).

The Company also participates in the 'Stolt-Nielsen Transportation Group Ltd. Pension Trust". This is a defined benefit Group plan, the assets and liabilities of which are held independently from the participating companies. The Company is unable to identify its share of the underlying assets and liabilities of the plan due to the significant number of deferred members and retirees. As the sponsoring company of the plan, the Company accounts for the plan in its entirety.

Contributions to the defined benefit plan for the year were £55,890 (2017: £731,254). Contributions for the year to November 30, 2019 are expected to be nil.

The major assumptions used for the actuarial valuation in the defined benefit plan are shown below. The balances shown are for the plan as a whole.

	Valuation at:		
	2018	2017	2016
Rate of increase in salaries	**3.80%**	3.80%	3.75%
Discount rate	**3.10%**	2.70%	2.90%
Inflation assumption	**3.30%**	3.30%	3.25%

The fair value of the assets in the defined benefit plan, the present value of the liabilities in the plan and net pension liability at each balance sheet date are shown below for the plan as a whole:

	2018	**2018**	2017	2017
	%	**£**	%	£
Equity	**71.3**	**12,779,464**	68.7	12,531,971
Debt securities	**19.3**	**3,461,036**	19.4	3,540,195
Property	**4.1**	**738,622**	3.9	716,158
Other	**5.3**	**950,180**	8.0	1,454,994
Total fair value of assets	**100%**	**17,929,302**	100%	18,243,318
Present value of plan liabilities		**(18,049,000)**		(20,258,253)
Net pension liability (before deferred tax)		**(119,698)**		(2,014,935)

The plan's active membership has an age profile that is rising significantly and therefore under the projected unit method the current service cost would be expected to increase as the members of the plan approach retirement. For this reason, it has been assumed that the plan companies will continue to make additional contributions as done in previous years which was in line with the Group's pension funding policy.

The expected remaining duration of the plan is 19 years (2017: 18 years).

Notes to the financial statements
For the year ended November 30, 2018

15. Retirement benefit plans (continued)

Components of defined benefit cost

The net periodic benefit cost for the Group's defined benefit pension plans (including a retirement arrangement for one of the Group's ex-directors) and U.S. other post-retirement benefit plan shown above for the years ended November 30, 2018 and 2017 consisted of the following:

	2018	2017
	£	£
Service cost	**(9,256)**	51,177
Interest cost	**53,881**	93,459
Cost of plan administration	**56,585**	42,179
Net defined benefit cost	**101,210**	186,815

Impact on Equity

Remeasurements that are recognised in other comprehensive income are as follows:

	2018	2017
	£	£
Effect of changes in demographic assumptions	**501,000**	–
Effect of changes in financial assumptions	**1,699,000**	(887,623)
Effect of experience assumptions	**120,744**	494,350
Return on plan assets (excluding interest income)	**(380,187)**	1,407,768
Remeasurements recognised in other comprehensive income	**1,940,557**	1,014,495

Sensitivity analysis

A change in each of the underlying assumption would have the following impact. These sensitivity calculations were performed by our actuary as part of their IAS 19 report.

	£
Impact on defined benefit obligation	
Discount rate -25 basis points	775,000
Discount rate +25 basis points	(728,000)
Pensions-in-payment increase rate -25 basis points	(483,000)
Pensions-in-payment increase rate +25 basis points	506,000
Mortality assumption -1 year	(543,000)
Mortality assumption +1 year	541,000

The salary increase rate has no impact on the defined benefit obligation due to the scheme being closed to new members and to future accrual.

Stolt-Nielsen M. S. Ltd

Notes to the financial statements
For the year ended November 30, 2018

15. Retirement benefit plans (continued)

The following tables set forth the change in benefit obligations for the Company's defined benefit pension plan.

Change in Benefit Obligation

	2018 £	2017 £
Benefit obligations at the beginning of the year	**20,258,253**	19,807,033
Service cost	**(9,256)**	51,177
Interest cost	**541,163**	566,120
Benefits paid	**(430,343)**	(571,337)
Employee contributions	**9,927**	11,987
Effect of changes in demographic assumptions	**(501,000)**	–
Effect of changes in financial assumptions	**(1,699,000)**	887,623
Effect of experience assumptions	**(120,744)**	(494,350)
Benefit obligations at the end of the year	**18,049,000**	20,258,253

Change in Benefit Asset

	2018 £	2017 £
Benefit assets at the beginning of the year	**18,243,318**	16,233,164
Interest cost	**487,282**	472,661
Benefits paid	**(430,343)**	(571,337)
Employer contributions	**55,890**	731,254
Employee contributions	**9,927**	11,987
Cost of plan administration	**(56,585)**	(42,179)
Return on plan assets (excluding interest income)	**(380,187)**	1,407,768
Benefit assets at the end of the year	**17,929,302**	18,243,318

15. Retirement benefit plans (continued)

Participant profile

The defined benefit obligation by participant status is as follows:

	2018	2017
	£	£
Actives	**–**	1,400,214
Vested deferreds	**9,453,000**	9,350,015
Retirees	**8,596,000**	9,508,024
	18,049,000	20,258,253

The number of participants are as follows:

Actives	**–**
Vested deferreds	**40**
Retirees	**30**
	70

16. Called up share capital

	2018	2017
	£	£
Authorised, allotted, called up and fully paid:		
1,000 (2017: 1,000) ordinary shares of £1 each	**1,000**	1,000

17. Ultimate controlling party

The immediate parent company is Stolt-Nielsen M.S. Limited (Bermuda), a company incorporated in Bermuda. The Directors regard Stolt-Nielsen Limited, a company incorporated in Bermuda, as the ultimate parent company and the ultimate controlling party. The smallest and largest group in which the results of the Company are consolidated is that headed by Stolt-Nielsen Limited. The consolidated financial statements of Stolt-Nielsen Limited are available to the public and may be obtained from the Investor Relations Department, Stolt-Nielsen M. S. Ltd, 4F Aldwych House,71-91 Aldwych London WC2B 6TD, United Kingdom.