

INEOS Silicas Limited

Annual report

for the year ended 31 December 2001

Registered Number 48745



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INEOS Silicas Limited

Annual report

for the year ended 31 December 2001

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INEOS Silicas Limited

Directors and advisors for the year ended 31 December 2001

Directors

Mr A C Currie	(Chairman, appointed 9 January 2001 and resigned 16 May 2001)
Mr J Reece	(appointed 9 January 2001 and resigned 2 May 2001)
Mr J D Hinnigan	(resigned 9 January 2001)
Mr W R Griffiths	(resigned 9 January 2001)
Dr A L Lovell	(resigned 9 January 2001)
Mr G Mulholland	(resigned 9 January 2001)
Mr P F Dee	(resigned 9 January 2001)
Mr B Foster	(appointed 2 May 2001)
Mr M Maher	(appointed 2 May 2001)
Mr R Whelan	(appointed 20 July 2001)
Mr S Wilson	(appointed 20 July 2001)

Secretary

Mrs L Hughes	(resigned 9 January 2001)
Mr J Reece	(appointed 9 January 2001, resigned 20 March 2001)
Mr W R Griffiths	(appointed 20 March 2001, resigned 2 May 2001)
Mr M Maher	(appointed 2 May 2001)

Auditors

PricewaterhouseCoopers
89 Sandyford Road
Newcastle upon Tyne
NE99 1PL

Bankers

Barclays Bank Plc
51 Mosley Street
Manchester
M60 3DQ

Solicitors

Eversheds
Evershed House
70 Great Bridgewater Street
Manchester
M1 5ES

Registered Office

Bank Quay
4 Liverpool Road
Warrington
WA5 1AB

INEOS Silicas Limited

Directors' report for the year ended 31 December 2001

The directors present their report and the audited financial statements for the year ended 31 December 2001.

Principal activities and business review

There was no significant change in the principal activities of the company which consisted of the manufacture and sale of chemicals.

The directors consider that in the conditions prevailing during the year the development of the company's business and its financial position at the end of the year were satisfactory.

The board of directors reinforced their support for the company SHE Charter. They issued a new INEOS Silicas SHE policy in December 2001 as a commitment to the Responsible Care programme, designed to achieve continuous improvement in safety, health and environmental performance through the application of the highest professional standards. Site management presented this charter throughout the year to employees encouraging a similar commitment. By the end of 2001 70% of site employees had signed the charter.

On 9 January 2001, INEOS Silicas Holdings Ltd acquired the entire share capital of company.

On 13 March 2001 the company changed its name from Crosfield Limited to INEOS Silicas Limited.

On 21 May 2001 the company was refinanced by the issue of £16m of additional share capital.

Although the company invoices certain customers in euros, there are no plans at present to convert the accounting records into the euro.

Research and development

The company's research and development programme continued to investigate new materials and applications for existing and developing products, whilst at the same time seeking to improve the quality and performance of the existing range of products.

In September 2001 the new Research facility on the Warrington site was completed and brought into use.

Profit and dividend

The profit after taxation for the year is £4,748,000 (2000: £1,781,000). The directors do not recommend the payment of a dividend (2000: £Nil).

Market value of land and buildings

In view of the fact that the land and buildings are used for productive and distributive activities and are not held for resale, the directors consider that the difference between their market value and the value at which they are included in the balance sheet is not of such significance as to require that attention be drawn to it, as would be required by Schedule 7 (Part 1) of the Companies Act 1985.

Directors' interests

J Reece and A Currie are also directors of the ultimate parent company, INEOS Group Limited, and their interests in the share capital of that company are disclosed in that company's directors report. B Foster is also a director of INEOS Silicas Holdings Limited, and his interest in the share capital of the ultimate parent company, INEOS Group Limited are disclosed in the directors report of INEOS Silicas Holdings Limited.

INEOS Silicas Limited

None of the other directors had a beneficial interest in the shares of the company.

Employees

It is the company's practice to give full and fair consideration to applications for employment received from disabled persons, subject to the company's requirements and to the qualifications ability and aptitude of the individual in each case.

Any employee who becomes disabled is encouraged to remain in the company's employment, in the same job if this is practicable. If a change of job is necessary, such an employee is considered for any suitable alternative work, which is relevant, and any necessary training is arranged.

Disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion.

Employee involvement

Senior site management of the company met employee representatives quarterly in the Company Council. They discussed external and internal factors affecting the current state of the business, future marketing and investment plans and their implications for employment and personnel policies.

Regular consultation took place with employee representatives of the various interest groups. These consultations supplement normal line communications through team briefs.

The Site General Manager met employee representatives each quarter in the Site Safety Co-ordinating Committee to monitor the work of departmental committees and to review the company's responsibilities under the Health and Safety at Work Act and progress on responsible care issues.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit of the company for that year. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2001 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INEOS Silicas Limited

Auditors

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

By order of the board



Mr M Maher
Secretary

29 April 2002

INEOS Silicas Limited

Independent Auditors' report to the members of INEOS Silicas Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issues by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 2001 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Newcastle upon Tyne
29 April 2002

INEOS Silicas Limited

Profit and loss account for the year ended 31 December 2001

	Note	2001 £'000	2000 £'000
Turnover	1	45,897	43,714
Cost of sales			
Continuing activities		(27,144)	(26,276)
Exceptional item: Reversal of previously impaired asset	9	14,285	-
Total cost of sales		(12,859)	(26,276)
Gross profit		33,038	17,438
Distribution costs		(4,273)	(4,653)
Administrative expenses		(14,272)	(15,758)
Exceptional administrative expenses	6	(3,620)	-
Total administrative expenses		(17,892)	(15,758)
Other operating income		806	3,212
Operating profit		11,679	239
Exceptional item: write back of 1998 provision for fundamental re-organisation	6	-	1,823
Interest receivable and similar income	3	81	39
Interest payable and similar charges	4	(4,583)	(2,924)
Profit/(loss) on ordinary activities before taxation	2	7,177	(823)
Taxation charge on profit on ordinary activities	5	(2,429)	(958)
Profit/(loss) for the financial year		4,748	(1,781)
Loss retained 1 January 2001	17	(21,720)	(19,939)
Retained loss carried forward	17	(16,972)	(21,720)

All of the companies activities relate to continuing operations.

There is no difference between the profit on ordinary activities before taxation and the retained loss for the year and their historical cost equivalents.

There are no recognised gains or losses for each financial year other than those disclosed above.

INEOS Silicas Limited

Balance sheet as at 31 December 2001

	Note	2001 £'000	2001 £'000	2000 £'000	2000 £'000
Fixed assets					
Tangible assets	9		38,546		24,455
Current assets					
Stock	10	6,041		5,611	
Debtors	11	9,660		9,036	
Cash at bank and in hand		1,642		-	
		17,343		14,647	
Creditors: amounts falling due within one year	12	(43,621)		(52,116)	
Net current liabilities			(26,278)		(37,469)
Total assets less current liabilities			12,268		(13,014)
Provisions for liabilities and charges	13		(6,840)		(2,306)
Net assets/(liabilities)			5,428		(15,320)
Capital and reserves					
Called up equity share capital	15	19,005		3,005	
Share premium account	17	3,395		3,395	
Profit and loss account	17	(16,972)		(21,720)	
Equity shareholders' funds/(deficit)	16		5,428		(15,320)

The financial statements on pages 6 to 21 were approved by the board of directors on 29 April 2002 and were signed on its behalf by:



M Maher
Director

INEOS Silicas Limited

Accounting policies

These financial statements are prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards.

Cashflow statement

The company is a wholly owned subsidiary of INEOS Silicas Holdings Limited and is ultimately consolidated within the financial statements of INEOS Group Limited. Consequently, the company has taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

Turnover

Turnover represents products and services supplied to customers during the year net of attributable value added tax, discounts, commissions and rebates. Turnover is recognised upon the shipment of goods.

Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost of a fixed asset on a straight line basis over its estimated useful economic taking into account expected residual values, using the following rates:

Freehold buildings	40 years
Leasehold land and buildings	40 years
Plant and machinery	3 – 17 years

No depreciation is provided on freehold land.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Leases

Operating lease are charged to the profit and loss account on a straight line basis over the period of the lease.

Research and development

Expenditure on research and development is written off against profits in the year in which it is incurred.

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Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction (or if hedged forward, at the rate of exchange under the related forward currency contract). Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Pensions

The company participates in a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company. The company also participates in a money purchase defined contribution scheme for a director.

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Notes to the financial statements for the year ended 31 December 2001

1 Segmental analysis

The company's geographical analysis of turnover split by destination is as follows:

	2001 £'000	2000 £'000
United Kingdom	14,208	14,305
Europe	21,057	19,964
Rest of the World	10,632	9,445
	45,897	43,714

2 Profit/(loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities before taxation is stated after charging:

	2001 £'000	2000 £'000
Auditors' remuneration:		
Audit	30	14
Non audit services	31	1
Depreciation of tangible fixed assets	4,103	3,016
Rentals payable under operating leases:		
Plant and machinery	296	298
Other assets	355	355
Research and development expenditure	3,038	4,509
Profit/(loss) on sale of fixed assets	59	(205)

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3 Interest receivable and similar income

	2001	2000
	£'000	£'000
Interest receivable from group undertakings	4	21
Interest receivable - external	77	18
	81	39

4 Interest payable and similar charges

	2001	2000
	£'000	£'000
Loans with group undertakings	4,459	2,986
Interest payable - external	1	1
Exchange losses / (gains)	123	(63)
	4,583	2,924

5 Taxation

	2001	2000
	£'000	£'000
UK corporation tax at 30% (2000: NIL)	-	-
UK income tax suffered	-	5
Deferred taxation charge	2,429	1,032
	2,429	1,037
Prior year over provision	-	(79)
Tax charge for the year	2,429	958

There is no UK Corporation tax credit receivable by the company for the year. The deferred tax charge has largely arisen due to the reinstatement of the A24 plant.

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6 Exceptional administrative expenses

Exceptional costs of £3,620,000 in the year relate to the establishment of a operational restructuring provision of £2,570,000 and a £1,050,000 statutory & environmental obligation provision (note 13).

Prior year exceptional item of £1,823,000 related to release of a 1998 restructuring provision.

7 Directors' emoluments

The ICI Group employed the directors who resigned on 9 January 2001. These directors did not receive any remuneration for their services provided to the company.

INEOS Silicas Limited benefited from the services of the directors who resigned on 9 January 2001 and certain other managers who were employed by ICI during the course of the year. The cost of these services is included within administrative expenses.

Directors appointed between 9 January 2001 and who resigned by 16 May 2001 received no remuneration for their services from the company.

Directors appointed since 2 May 2001 were employed by the company and were remunerated for their services to the company.

	2001	2000
	£'000	£'000
Aggregate emoluments	217	-

At the year end there are three directors who have benefits accruing under a defined benefit scheme.

Highest paid director	2001	2000
	£'000	£'000
Aggregate emoluments	68	-

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8 Employee's information

The average number of employees employed by the company, including directors, during the year is analysed as follows:

	2001	2000
Production	234	225
Selling, distribution and administration	179	191
	413	416

The aggregate payroll costs of these persons was as follows:

	2001	2000
	£'000	£'000
Wages and salaries	12,822	10,713
Social security costs	973	992
Pension costs	1,563	1,400
	15,358	13,105

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9 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Payments on account and assets in course of construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2001	9,283	46,538	709	3,408	59,938
Additions	-	-	-	4,080	4,080
Reversal of previously impaired	3,724	18,946	-	-	22,670
Disposals	(92)	(428)	(9)	-	(529)
Reclassification	287	(290)	3	-	-
Transfer between items	2,952	2,836	201	(5,989)	-
At 31 December 2001	16,154	67,602	904	1,499	86,159
Depreciation					
At 1 January 2001	3,711	31,090	682	-	35,483
Reversal of previously impaired	603	7,782	-	-	8,385
Charge for year	292	3,798	13	-	4,103
On disposals	(4)	(345)	(9)	-	(358)
At 31 December 2001	4,602	42,325	686	-	47,613
Net book value					
At 31 December 2001	11,552	25,277	218	1,499	38,546
At 31 December 2000	5,572	15,448	27	3,408	24,455

The net book value of land and buildings comprises

	2001	2000
	£'000	£'000
Freehold	5,511	5,511
Long leasehold	61	61
	5,572	5,572

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Exceptional item - Impairment gain on A24 zeolite plant

On 29 May 2001 the company entered into a new zeolite supply agreement which will utilise the previously impaired A24 plant.

Based on this new value in use management have reviewed forecasted future cashflows and have taken the decision to reverse the impairment which was charged to the profit and loss account in the year ended 31 December 1999.

A gain of £14.3m has been taken to the profit and loss account in the year which represents the net book value at the time of impairment less the historic depreciation that would have been charged in the intervening period.

10 Stocks

	2001	2000
	£'000	£'000
Raw materials and consumables	1,858	1,854
Work in progress	1,151	850
Finished goods and goods for resale	3,032	2,907
	6,041	5,611

11 Debtors

	2001	2000
	£'000	£'000
Trade debtors	6,869	5,987
Amounts owed by group undertakings	946	1,984
Loans owed by group undertakings	779	-
Other debtors	509	942
Prepayments and accrued income	557	123
	9,660	9,036

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12 Creditors - amounts falling due within one year

	2001 £'000	2000 £'000
Bank loans and overdrafts – unsecured	-	614
Trade creditors	5,804	4,898
Taxation and social security	330	368
Amounts owed to group undertakings	37,487	46,236
	43,621	52,116

13 Provision for liabilities and charges

	Statutory and environmental obligations £'000	Deferred taxation £'000	Operational restructuring obligations £'000	Total £'000
At 1 January 2001	-	2,306	-	2,306
Additions	1,050	2,429	2,570	6,049
Utilised in the year	-	-	(1,515)	(1,515)
At 31 December 2001	1,050	4,735	1,055	6,840

During the year the directors established an operational restructuring provision for company obligations in respect of redundancy, early retirement and other termination costs. £2.57m of such costs have been charged in administration expenses in the year.

The directors also established a provision for statutory and environmental obligations arising from the company's activities. £1.05m of such costs have been charged in administration expenses in the year.

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Deferred tax

The amounts provided for deferred taxation are set out below. All of the potential liability has been fully provided.

	2001	2000
	£'000	£'000
Difference between accumulated depreciation and capital allowances	5,074	2,326
Other timing differences	(339)	(20)
	4,735	2,306

14 Pension scheme

The company and most of its employees participated in the ICI Specialty Chemicals Pension Fund (ICISCPF) which is a separate trustee-administered fund until 30 June 2001. On 1 July 2001 there was a transfer of members from the ICISCPF to a newly established INEOS Silicas Pension Fund ("the Fund") with these members being provided with the same level of benefits in the Fund as those in the ICISCPF. Transferring members were granted a year for year service in the Fund for each year of service completed in the ICISCPF before 30 June 2001. No asset transfers from the ICISCPF to the Fund had been made by 31 December 2001. Asset transfers are expected to be made by September 2002.

The scheme is of a defined benefit type under which benefits are based on employees' years of service and average final remuneration. Contributions are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the company. The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method.

The first actuarial valuation of the fund is due with an effective date of 31 December 2001 and the results are expected to be available in late 2002.

The contributions by the company were 14.3% of pensionable earnings until 30 June 2001 and 13.8% of pensionable earnings from 1 July 2001.

In addition company contributions to the defined contribution scheme amounted to £9,500.

The pension cost charged to the profit and loss account for the year was £1,563,000 (2000: £1,400,000).

The capital costs are charged against the operational restructuring obligation provision in the year in which the decision to retire an employee before normal retirement age is made.

Capital costs of unfunded retirement benefits (URB) for employees retiring before normal retiring age are currently paid to the ICI Specialty Chemicals Pension Fund Trustees Ltd by the company which in turn accepts responsibility for payment of the benefits to the former employees until transfer of assets and liabilities.

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FRS 17

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation at 31 December 2001 in order to assess the liabilities of the scheme at 31 December 2001. This valuation has been based on the anticipated transfer payment from ICI Speciality Chemicals Pension Fund which is due to be received during 2002. Scheme assets are stated at their market value at 31 December 2001.

The financial assumptions used to calculate scheme liabilities under FRS 17 are:

Valuation method	Projected unit
Discount rate for scheme liabilities	5.8
Inflation rate	2.5
Increase to pensions in payment	2.5
Salary increases	3.9

The expected long term rate of returns and market values of the assets of the company's principal defined benefit plan at 31 December 2001 were as follows:

	Long term rate of return expected at 31 December 2001	Value at 31 December 2001 £m
Equities	7.3	See below
Bonds	5.0	See below
Total market value of assets		34.0
Present value of scheme liabilities		(39.8)
Deficit in the scheme		(5.8)
Related deferred tax asset		1.7
Net pension liability		4.1

There is currently no split between equities and bonds because the asset transfer from the ICI Speciality Chemicals pension fund has not yet taken place and the investment policy, although it may have been discussed by the Trustees, has not yet been put in place. Any split would be arbitrary at this stage.

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	2001 Group £m
Net assets	
Net assets excluding pension liability	5.4
Pension liability	(4.1)
Net assets including pension liability	1.3

	2001 Group £m
Reserves	
Profit and loss reserve excluding pension liability	(17.0)
Pension liability	(4.1)
Profit and loss reserve	(21.1)

15 Called up equity share capital

Ordinary shares of £1 each	Authorised		Issued and fully paid	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
At 1 January 2001	10,000	10,000	3,005	3,005
Authorised / Issued in year	9,005	-	16,000	-
At 31 December 2001	19,005	10,000	19,005	3,005

On the 9 January 2001, 16,000,000 ordinary shares of £1 were issued and fully paid at par for a cash consideration of £16,000,000.

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16 Reconciliation of movements in equity shareholders' funds/(deficit)

	2001 £'000	2000 £'000
Profit/(loss) for the financial year	4,748	(1,781)
New shares issued in the year	16,000	-
Net increase/(reduction) in shareholders' deficit	20,748	(1,781)
Opening equity shareholders' deficit	(15,320)	(13,539)
Closing equity shareholders' funds/(deficit)	5,428	(15,320)

17 Movement on reserves

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 January 2001	3,395	(21,720)	(18,325)
Profit for the financial year	-	4,748	4,748
At 31 December 2001	3,395	(16,972)	(13,577)

18 Capital commitments

Capital commitments entered into at the end of the financial year for which no provision has been made totalled £90,000 (2000: £53,000).

The company's annual commitments under non-cancellable operating leases are as follows:

	2001 Land and buildings £'000	2000 Land and buildings £'000	2001 Plant and machinery £'000	2000 Plant and machinery £'000
Expiring within one year	445	355	106	120
Expiring between two and five years	-	-	218	141
Expiring after five years	-	-	-	88
Total	445	355	324	349

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19 Contingent liabilities

No provision has been made against claims and legal action arising in the ordinary course of business where their outcome cannot be predicted with reasonable certainty.

The company has entered into various guarantees with third parties in the ordinary course of business. As at 31 December 2001 guarantees entered into amounted to £260,000 (2000: £306,949).

The company is party to a credit agreement (the "Senior Credit Agreement") dated 23 May 2001. The Senior Credit Agreement comprises of Term Loans ("Term Loan A", Term Loan B" and Term Loan C") and a revolving credit facility ("the Revolving Credit Facility). The total outstanding indebtedness under the Senior Credit Agreement at 31 December 2001 was €740.7 million. The company is a guarantor under the Senior Credit Agreement. These obligations are secured by fixed and floating charges over the assets of the company.

20 Related party transactions

The ultimate parent company and controlling party is INEOS Group Ltd and the intermediate holding company is INEOS Silicas Holdings Ltd. As 100% of the company's voting rights are controlled within the group headed by INEOS Group Ltd, the company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No 8.

During the year a director, Mr S Wilson, was temporarily advanced £101,977.47 as bridging loan finance on a house purchase upon his relocation back to the UK. The bridging loan was repaid within 11 days and interest charged at Inland Revenue rates.

During the year INEOS Silicas Limited purchased goods with a value of £1,531,570 from INEOS Chlor Limited. The amount outstanding at the year end in relation to these purchases amounts to £200,121.

21 Parent undertaking and controlling party

The directors regard INEOS Silicas Holdings Limited, a company incorporated in the United Kingdom to be the immediate parent undertaking of the company. The directors regard INEOS Group Limited, a company incorporated in the United Kingdom to be the ultimate parent undertaking of the company. Copies of INEOS Group Limited consolidated financial statements can be obtained from the Company Secretary, INEOS Group Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The directors regard Mr J Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in INEOS Group Limited.