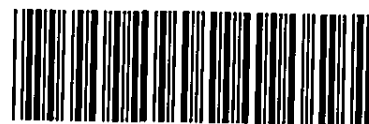


**Glebe Mines Limited**  
**Annual Report**  
**for the year ended 31 December 2009**

**Registered Number 3846248**

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# Glebe Mines Limited

## Annual report

for the year ended 31 December 2009

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# **Glebe Mines Limited**

## **Directors' report for the year ended 31 December 2009**

The directors' present their report and the audited financial statements for year ended 31 December 2009

### **Registered number**

The company's registered number is 3846248 and the company is registered in England and Wales

### **Principal activities**

The principal activity of the company is the production and supply of the following industrial mineral products acid grade fluorspar, barytes (filler/paint grade), lead concentrate and construction aggregates

### **Business review**

Overall production from the mill was again somewhat disappointing due to limited crude ore supplies and demand restrictions. The mill did however run well for periods when good quality crude ore was available

The company was granted planning permission for its new open pit operation at Tearsall but the start up of this site has been delayed until end Q1 2010 due to a Q4 review by the planning authority and the need to clear a site of newts in spring 2010. Plans to re-open the underground mine at Mildam have progressed but the start up of this operation has been delayed until 2010

The business achieved a significant safety land-mark in November 2009 when it achieved 12 months without a classified/reportable injury

### **Results and dividends**

The company's loss before taxation for the year ended 31 December 2009 is £2,242,815 (2008 £3,368,417)

The directors' do not recommend payment of a dividend (2008 £nil)

### **Research and development**

The directors' regard the investment in mine development and identifying future ore sources as integral to the continuing success of the business

### **Future outlook**

The business remains focused on supplying fluorspar to meet the requirements of the fluorochemicals industry and as such continues to progress plans to improve SHE (Safety, Health and Environment) performance, production output security of future ore supplies. In 2010, the company anticipates the opening of Tearsall open pit mine and the re-opening of the underground mine at Mildam. In March 2010, the company entered into a sales contract, securing the majority of its planned output for 2010

# Glebe Mines Limited

## Directors' report *(continued)*

### Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The main risks and uncertainties are as follows

- Future ore supplies – The company has extensive underground resources, however these require significant investment in order to exploit them for the longer term. The granting of essential planning permits elsewhere within the National Park also depend on the perceived strategic economic importance of fluorspar.
- Tailings dams/environmental performance – The safe management of the tailings dams will be a significant factor going forward in terms of maintaining a licence to operate as well as providing the outlet for plant tailings for restoration purposes.
- Output from the mill – It has been demonstrated that the mill is capable of producing reliably if good quality ore is available. The main issue remains the availability of ore supplies.
- SHE performance – the overall SHE performance has improved markedly in the last two years however there is still a long way to go to bring the operation up to the standards expected by the group.

### Key performance indicators

The company uses a number of KPIs to monitor performance, in conjunction with the management of costs and working capital to improve profit. These KPIs are monitored on a monthly basis compared to budget.

- EBITDA – earnings before interest, tax, depreciation and amortisation, and exceptional items
- Gross profit as a percentage of sales
- Working capital as a percentage of sales. Working capital relates solely to stock, operating debtors and operating creditors.
- Working capital ratios – these include debtor days – indicating the average length of time it takes to receive cash from a sale, stock turn – indicating the number of times in a year that stock is turned over, and creditor days – indicating the average length of time it takes to pay cash for a purchase.
- Production – fluorspar recovery efficiency, plant reliability and total production rates per day.
- Safety Health and the Environment targets including injuries, work related ill health effects, Environmental Agency reportable incidents, loss of containment incidents.

### Market value of land and buildings

The directors are of the opinion that the current open market value of the land and buildings for current use is in excess of the net book value by £1,315,000 (2008 £1,223,000).

### Directors

The directors who held office during the year were as follows

G Goodyear

G Hemmingway

The directors benefited from qualifying third party indemnification provision in place during the year and to the date of this report.

# Glebe Mines Limited

## Directors' report *(continued)*

### Political and charitable contributions

The company made no political contributions during the year (2008 *none*) Charitable donations amounted to £931 in 2009 (2008 £750)

### Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company where appropriate. The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to such risk exceed any potential benefits. The company manages its credit exposures with a set of policies for ongoing credit checks on potential and current customers or counterparties. The company is funded internally by the INEOS group and therefore has no direct exposure to liquidity or debt market risk. Interest rate exposures are managed on a group basis and are fully disclosed in the consolidated financial statements of INEOS Limited.

### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Glebe Mines Limited

## Directors' report *(continued)*

### Statement of disclosure to auditors

Each of the persons who are directors at the date of approval of this report confirm that

- (a) there is no relevant information of which the company's auditors are unaware, and
- (b) 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 416 of the Companies Act 2006

### Auditors

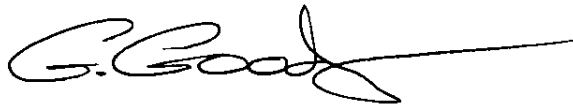
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. A resolution to reappoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the Annual General Meeting

By order of the Board

G Goodyear

Director

March 2010



31/03/2010

# **Glebe Mines Limited**

## **Independent auditors' report to the members of Glebe Mines Limited**

We have audited the financial statements of Glebe Mines Limited for the year ended 31 December 2009, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

### **Respective responsibilities of directors and auditors**

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 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 Ethical Standards for Auditors.

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.

### **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.

### **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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Glebe Mines Limited**

## **Independent auditors' report to the members of Glebe Mines Limited** *(continued)*

### **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

*P Christian*

**Paul Christian (Senior Statutory Auditor)**  
**For and on behalf of PricewaterhouseCoopers LLP**  
Chartered Accountants and Statutory Auditors  
Liverpool  
**31** March 2010



# Glebe Mines Limited

## Profit and loss account for the year ended 31 December 2009

|  | Note | 2009<br>£          | 2008<br>£   |
|--|------|--------------------|-------------|
| <b>Turnover</b>                                    | 1    | <b>5,913,173</b>   | 5,051,601   |
| Cost of sales                                      |      | (6,669,097)        | (6,133,398) |
| <b>Gross loss</b>                                  |      | <b>(755,924)</b>   | (1,081,797) |
| Selling and distribution costs                     |      | (276,992)          | (356,444)   |
| Administrative expenses                            |      | (1,047,667)        | (1,771,883) |
| Other operating income                             | 3    | 59,617             | 61,969      |
| <b>Operating loss</b>                              | 2    | <b>(2,020,966)</b> | (3,148,155) |
| Interest receivable and similar income             | 6    | 343                | 14,134      |
| Interest payable and similar charges               | 7    | (222,192)          | (234,396)   |
| <b>Loss on ordinary activities before taxation</b> |      | <b>(2,242,815)</b> | (3,368,417) |
| Tax on loss on ordinary activities                 | 8    | 1,212,191          | 5,129       |
| <b>Loss for the financial year</b>                 | 16   | <b>(1,030,624)</b> | (3,363,288) |

All the above results relate to continuing operations

There are no recognised gains or losses other than the loss shown above. Accordingly, a statement of total recognised gains and losses has not been presented.


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

# Glebe Mines Limited

## Balance sheet as at 31 December 2009

|   | Notes | 2009<br>£   | 2008<br>£   |
|---|-------|-------------|-------------|
| <b>Fixed assets</b>                                   |       |             |             |
| Intangible fixed assets                               | 9     | 21,793      | 109,046     |
| Tangible fixed assets                                 | 10    | 1,717,162   | 1,653,872   |
|   |       | 1,738,955   | 1,762,918   |
| <b>Current assets</b>                                 |       |             |             |
| Stocks  | 11    | 1,616,394   | 2,027,245   |
| Debtors   | 12    | 1,379,807   | 382,979     |
| Cash at bank and in hand                              |       | 88,481      | 504,225     |
|   |       | 3,084,682   | 2,914,449   |
| <b>Creditors: amounts falling due within one year</b> | 13    | (8,123,243) | (6,926,286) |
| <b>Net current liabilities</b>                        |       | (5,038,561) | (4,011,837) |
| <b>Total assets less current liabilities</b>          |       | (3,299,606) | (2,248,919) |
| <b>Provisions for liabilities</b>                     | 14    | (610,017)   | (630,080)   |
| <b>Net liabilities</b>                                |       | (3,909,623) | (2,878,999) |
| <b>Capital and reserves</b>                           |       |             |             |
| Called up share capital                               | 15    | 1           | 1           |
| Other reserves  | 16    | 1,422,515   | 1,422,515   |
| Profit and loss reserves                              | 16    | (5,332,139) | (4,301,515) |
| <b>Total shareholders' deficit</b>                    | 17    | (3,909,623) | (2,888,999) |

The financial statements on pages 7 to 20 were approved by the Board of Directors on  
and were signed on their behalf by

 31/03/2010

G Goodyear  
Director

# Glebe Mines Limited

## Accounting policies

### Accounting convention

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The accounting policies set out below have been applied consistently in dealing with items, which are considered material in relation to the company's financial statements. The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £5,038,561 (2008 £4,011,837). The going concern assumption is based on a twelve-month sales contract for 2010 and confirmation from INEOS Holdings Limited that it will support Glebe Mines Limited to allow it to meet its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

### Cash flow statement

The company is a wholly owned subsidiary of INEOS Fluor Limited and is ultimately consolidated within the financial statements of INEOS Limited. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

### Turnover

Turnover represents the invoiced value of products sold or services provided to third parties net of sales discounts and value added taxes.

The pricing for products sold is determined by market prices. Revenue is recognised when the goods are shipped, when the prices are determinable and when collectability is considered probable.

### Mineral extraction rights

Mineral extraction rights are amortised on a straight line basis over the period of planning consent granted for mineral extraction or, if lower, the estimated period of extraction, based on estimated reserves and rate of extraction.

### Tangible fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. Site development costs are also capitalised and are the costs associated with the construction and enhancements of the tailings dams. Depreciation is calculated so as to write off the cost of a fixed asset on a straight line basis over its estimated useful economic life, taking into account expected residual values, using the following rates:

|                     |          |
|---------------------|----------|
| Freehold buildings  | 50 years |
| Plant and machinery | 10 years |
| Office equipment    | 4 years  |
| Motor vehicles      | 3 years  |

Site development costs included within freehold land and buildings are depreciated at rates between 7% and 25%.

Freehold land is not depreciated.

# Glebe Mines Limited

## Accounting policies *(continued)*

### **Operating leases**

Rentals charged under operating leases are charged to the profit and loss account on a straight-line basis over the life of the lease

### **Stock valuation**

Stocks are stated at the lower of cost and net realisable value as determined by FIFO method. Costs comprise direct costs and appropriate production overheads

### **Post retirement benefits**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charged in the profit and loss account represents the contributions payable by the company to the scheme in respect of the accounting period in accordance with Financial Reporting Standard 17

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. 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 substantially enacted by the balance sheet date. Deferred tax assets and liabilities, which have been recognised, have not been discounted

### **Restoration costs**

Provision for restoration costs is made to reflect the costs of remedial works, as required to comply with planning consents, relating to various mining sites. The amount provided represents the expected costs of restoring sites based on survey measures carried out at the balance sheet date. The charge in the profit and loss account represents the movement on the restoration costs provision

# Glebe Mines Limited

## Notes to the financial statements for the year ended 31 December 2009

### 1 Turnover

All of the company's turnover originates in the United Kingdom. The company's turnover is analysed below by destination.

|                | 2009<br>£ | 2008<br>£ |
|----------------|-----------|-----------|
| United Kingdom | 5,791,352 | 5,048,359 |
| Europe         | 43,701    | 3,242     |
| Asia           | 78,120    | -         |
|                | 5,913,173 | 5,051,601 |

The turnover derives from the principal activity of the company, the production and supply of industrial mineral products.

### 2 Operating loss

|   | 2009<br>£ | 2008<br>£ |
|---|-----------|-----------|
| <b>Operating loss is stated after charging/(crediting):</b> |           |           |
| Amortisation of intangible assets                           | 87,253    | 87,252    |
| Depreciation charge   |           |           |
| - owned assets  | 250,491   | 440,076   |
| - assets held under finance leases                          | -         | 5,040     |
| Site restoration  | (670)     | 11,594    |
| (Profit)/loss on disposal of other tangible fixed assets    | (4,783)   | 8,729     |
| Operating lease rentals – plant and machinery               | 132,538   | 161,909   |
| Auditors remuneration – fees payable for the audit          | 12,144    | 16,000    |
| - fees payable for other services – taxation                | 1,200     | 3,000     |

# Glebe Mines Limited

## 3 Other operating income

|                              | 2009<br>£     | 2008<br>£     |
|------------------------------|---------------|---------------|
| Sundry recharges             | 7,200         | -             |
| Rents and royalties          | 43,293        | 55,622        |
| Profit on disposal of assets | 4,783         | -             |
| Scrap Sales                  | 4,341         | 6,347         |
|                              | <b>59,617</b> | <b>61,969</b> |

## 4 Directors' emoluments

|   | 2009<br>£     | 2008<br>£    |
|---|---------------|--------------|
| Emoluments for qualifying services                      | 78,911        | 6,455        |
| Company pension contributions to money purchase schemes | 13,710        | -            |
|   | <b>92,621</b> | <b>6,455</b> |

One director has benefits accruing under a money purchase scheme (2008 no directors) Another INEOS group company pays the emoluments of G Hemingway

## 5 Employee information and costs

The average monthly number of employees (including directors) during the period was

|                                  | 2009<br>Number | 2008<br>Number |
|----------------------------------|----------------|----------------|
| Management and administration    | 14             | 13             |
| Operations, mining and technical | 52             | 51             |
|                                  | <b>66</b>      | <b>64</b>      |

# Glebe Mines Limited

## 5 Employee information and costs (*continued*)

The aggregate payroll costs of these persons were as follows

|                               | 2009<br>£ | 2008<br>£ |
|-------------------------------|-----------|-----------|
| Wages and salaries            | 1,570,446 | 1,518,198 |
| Social security costs         | 132,441   | 148,119   |
| Other pension costs (note 18) | 47,393    | 49,470    |
|                               | 1,750,280 | 1,715,787 |

## 6 Interest receivable and similar income

|                       | 2009<br>£ | 2008<br>£ |
|-----------------------|-----------|-----------|
| Bank deposit interest | 343       | 13,315    |
| Exchange gains        | -         | 819       |
|                       | 343       | 14,134    |

## 7 Interest payable and similar charges

|                               | 2009<br>£ | 2008<br>£ |
|-------------------------------|-----------|-----------|
| Loans with group undertakings | 222,192   | 234,396   |

# Glebe Mines Limited

## 8 Taxation

|   | 2009<br>£          | 2008<br>£      |
|---|--------------------|----------------|
| <b>Current tax</b>  |                    |                |
| UK corporation tax  | (518,191)          | -              |
| Adjustment for prior years  | (694,000)          | -              |
| <b>Total current tax credit</b>   | <b>(1,212,191)</b> | -              |
| <b>Deferred tax</b>   |                    |                |
| Adjustments in respect of prior years   | -                  | (5,129)        |
| <b>Total deferred tax</b>   | -                  | (5,129)        |
| <b>Total tax credit</b>   | <b>(1,212,191)</b> | <b>(5,129)</b> |
|   | 2009<br>£          | 2008<br>£      |
| Loss on ordinary activities before taxation   | (2,242,815)        | (3,368,417)    |
| Loss on ordinary activities multiplied by standard rate of UK corporation tax of 28% (2008 28%) | (627,988)          | (943,157)      |
| Effects of  |                    |                |
| Non deductible expenses   | 21,000             | 38             |
| Capital allowances  | -                  | 1              |
| Tax losses not recognised   | 88,797             | 943,118        |
| Adjustments to previous years   | (694,000)          | -              |
| <b>Current tax credit</b>   | <b>(1,212,191)</b> | -              |

Deferred tax assets of £678,400 (2008 £1,279,139) have not been recognised, as based on forecast profitability they are not expected to be recoverable. These relate to tax losses of £373,432 (2008 £1,053,583) and accelerated capital allowances of £304,968 (2008 £243,556).

The future tax charge is expected to be lower than the standard rate of UK corporation tax due to the availability of tax losses and capital allowances.



# Glebe Mines Limited

## 9 Intangible fixed assets

|  | Mineral<br>extraction<br>rights<br>£ |
|--|--------------------------------------|
| <b>Cost</b>                                      |                                      |
| <b>At 1 January 2009 and at 31 December 2009</b> | <b>421,189</b>                       |
| <b>Amortisation</b>                              |                                      |
| At 1 January 2009                                | (312,143)                            |
| Charge for the year                              | (87,253)                             |
| <b>At 31 December 2009</b>                       | <b>(399,396)</b>                     |
| <b>Net book value</b>                            |                                      |
| <b>At 31 December 2009</b>                       | <b>21,793</b>                        |
| At 31 December 2008                              | 109,046                              |

# Glebe Mines Limited

## 10 Tangible fixed assets

|                                 | Freehold<br>land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Office<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£         |
|---------------------------------|--|-----------------------------|--------------------------|------------------------|--------------------|
| <b>Cost</b>                     |  |                             |                          |                        |                    |
| At 1 January 2009               | 817,731                                | 2,184,389                   | 76,622                   | 160,609                | 3,239,351          |
| Additions                       | -                                      | 313,781                     | -                        | -                      | 313,781            |
| Disposals                       | -                                      | -                           | (66,904)                 | (34,552)               | (101,456)          |
| <b>At 31 December 2009</b>      | <b>817,731</b>                         | <b>2,498,170</b>            | <b>9,718</b>             | <b>126,057</b>         | <b>3,451,676</b>   |
| <b>Accumulated depreciation</b> |  |                             |                          |                        |                    |
| At 1 January 2009               | (415,455)                              | (932,793)                   | (76,622)                 | (160,609)              | (1,585,479)        |
| Charge for the year             | (91,981)                               | (158,510)                   | -                        | -                      | (250,491)          |
| Disposals                       | -                                      | -                           | 66,904                   | 34,552                 | 101,456            |
| <b>At 31 December 2009</b>      | <b>(507,436)</b>                       | <b>(1,091,303)</b>          | <b>(9,718)</b>           | <b>(126,057)</b>       | <b>(1,734,514)</b> |
| <b>Net book value</b>           |  |                             |                          |                        |                    |
| <b>At 31 December 2009</b>      | <b>310,295</b>                         | <b>1,406,867</b>            | <b>-</b>                 | <b>-</b>               | <b>1,717,162</b>   |
| At 31 December 2008             | 402,276                                | 1,251,596                   | -                        | -                      | 1,653,872          |

Included above are fixed assets held under hire purchase contracts and finance leases with a net book value of £nil (2008 £nil) Depreciation for the year ended on these assets was £nil (2008 £5,040)

Within plant and machinery are assets under construction of £357,324 (2008 £421,836), which are not being depreciated

## 11 Stocks

|                                     | 2009<br>£        | 2008<br>£        |
|-------------------------------------|------------------|------------------|
| Raw materials and consumables       | 806,506          | 365,630          |
| Finished goods and goods for resale | 809,888          | 1,661,615        |
|                                     | <b>1,616,394</b> | <b>2,027,245</b> |

# Glebe Mines Limited

## 12 Debtors

|                                    | 2009<br>£        | 2008<br>£      |
|------------------------------------|------------------|----------------|
| Trade debtors                      | 94,623           | 123,383        |
| Amounts owed by group undertakings | 1,248,995        | 36,804         |
| Other debtors                      | 10,655           | 189,752        |
| Prepayments and accrued income     | 25,534           | 33,040         |
|                                    | <b>1,379,807</b> | <b>382,979</b> |

## 13 Creditors: amounts falling due within one year

|                                       | 2009<br>£        | 2008<br>£        |
|---------------------------------------|------------------|------------------|
| Trade creditors                       | 578,710          | 1,017,308        |
| Loan due to group undertakings        | 7,221,434        | 5,368,475        |
| Other taxes and social security costs | 45,517           | 54,556           |
| Accruals and deferred income          | 277,582          | 485,947          |
|                                       | <b>8,123,243</b> | <b>6,926,286</b> |

The loan due to group undertakings is denominated in sterling, interest is charged at a rate of libor plus 2 25%

# Glebe Mines Limited

## 14 Provisions for liabilities and charges

|   | Radiation<br>Clearance<br>Costs<br>£ | Restoration<br>Costs<br>£ | Total<br>£     |
|---|--------------------------------------|---------------------------|----------------|
| At 1 January 2009                       | 100,000                              | 530,080                   | 630,080        |
| Credited to the profit and loss account | -                                    | (670)                     | (670)          |
| Utilised in the year                    | -                                    | (19,393)                  | (19,393)       |
| <b>At 31 December 2009</b>              | <b>100,000</b>                       | <b>510,017</b>            | <b>610,017</b> |

The radiation clearance and restoration provisions relate to the company's liability to restore mining sites after completion of works, in accordance with the terms of planning consents. The costs are based on survey measures carried out at the balance sheet date and an estimate of costs to restore the sites at this time assuming no further mining works are to be carried out. The impact of discounting is not deemed to be material to the restoration provision.

## 15 Share capital

|   | 2009<br>£ | 2008<br>£ |
|---|-----------|-----------|
| <b>Authorised</b>                         |           |           |
| 1,000 ordinary shares of £1               | 1,000     | 1,000     |
| <b>Allotted, called up and fully paid</b> |           |           |
| 1 ordinary share of £1 each               | 1         | 1         |

## 16 Reserves

|                            | Other<br>reserves<br>£ | Profit and loss<br>account<br>£ |
|----------------------------|------------------------|---------------------------------|
| At 1 January 2009          | 1,422,515              | (4,301,515)                     |
| Loss for the year          | -                      | (1,030,624)                     |
| <b>At 31 December 2009</b> | <b>1,422,515</b>       | <b>(5,332,139)</b>              |

The other reserve relates to a capital contribution made by INEOS Fluor Limited upon acquisition of the company.

# Glebe Mines Limited

## 17 Reconciliation of movements in shareholders' deficit

|                                       | 2009<br>£   | 2008<br>£   |
|---------------------------------------|-------------|-------------|
| Loss for the financial year           | (1,030,624) | (3,363,288) |
| Net increase in shareholders' deficit | (1,030,624) | (3,363,288) |
| Opening shareholders' (deficit)/funds | (2,878,999) | 484,289     |
| Closing shareholders' deficit         | (3,909,623) | (2,878,999) |

## 18 Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to the scheme in 2009 were £47,393 (2008 £49,470). Included within the pension cost charge for 2009 is £5,346 (2008 £5,493), which is unpaid at the balance sheet date.

## 19 Commitments

The company had annual commitments under non-cancellable plant and machinery operating leases as follows

|                            | 2009<br>£ | 2008<br>£ |
|----------------------------|-----------|-----------|
| Expiry date                |           |           |
| Within one and two years   | 3,044     | -         |
| Between two and five years | 129,852   | 125,358   |
| In over five years         | -         | 4,494     |
|                            | 132,896   | 129,852   |

At the balance sheet date that company had capital commitments of £54,658 (2008 £143,856)

## 20 Related party transactions

The ultimate parent company and controlling party is INEOS Limited. As 100% of the company's voting rights are controlled within the group headed by INEOS Limited, the company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard 8.

# **Glebe Mines Limited**

## **21 Parent undertakings and controlling party**

The director regards INEOS Fluor Limited, a company incorporated in the United Kingdom, to be the immediate parent undertaking of the company. The directors regard INEOS Limited, a company incorporated in the United Kingdom, to be the ultimate parent undertaking of the company. Copies of INEOS Limited consolidated financial statements can be obtained from the Company Secretary, INEOS 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 Limited.