

INEOS Capital Limited

Annual report and financial statements

Registered number 03851680

31 December 2018



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Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

J F Ginns
G W Leask

Principal activities

The principal activity of the company is as a holding company including holding the intellectual property rights to the name INEOS. This is expected to continue going forward.

Review of business and future developments

INEOS Capital Limited continues to own and maintain the intellectual property rights to the name INEOS which is registered in various countries around the globe, and acts as a holding company. INEOS Capital Limited is to continue to act as a holding company in future years.

Proposed dividend

The directors do not recommend the payment of a dividend (2017: nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 102, 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.

Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' report (continued)

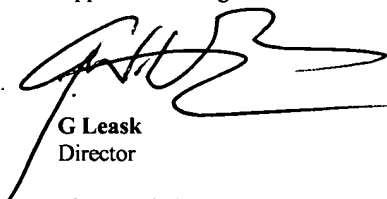
Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

Small company provision

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved and signed on behalf of the board



G Leask
Director

28 June 2019

INEOS Capital Limited
Hawkslease
Chapel Lane
Lyndhurst
SO43 7FG

Independent auditors' report to the members of INEOS Capital Limited

Report on the audit of the financial statements

Opinion

In our opinion, INEOS Capital Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Balance Sheet as at 31 December 2018; the Profit and Loss Account, 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.

Independent auditors' report to the members of INEOS Capital Limited (continued)

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 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.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 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 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 set out on page 3, 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.

Independent auditors' report to the members of INEOS Capital Limited (continued)

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Michael Jeffrey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
28 June 2019

Profit and Loss Account
for year ended 31 December 2018

	Note	2018 £	2017 £
Turnover		4,293	-
Administrative expenses		(119,961)	(107,615)
Operating loss	2	(115,668)	(107,615)
Foreign exchange		37,032	85,937
Loss before taxation		(78,636)	(21,678)
Tax on loss	4	-	-
Loss for the financial year		(78,636)	(21,678)

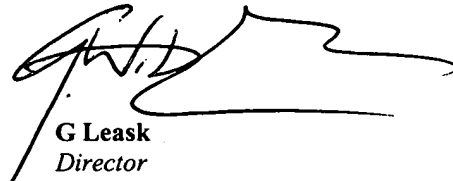
All amounts relate to continuing operations.

There are no income or expenditure items other than those included in the results above for the current financial year and the preceding financial year and therefore no separate statement of comprehensive income has been prepared.

Balance Sheet
at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	44,675	44,675
Investments	6	30,554,088	30,554,088
		30,598,763	30,598,763
Current assets			
Debtors (including £3,554,467 (2017 : £3,554,467) due after more than one year)	7	9,658,187	9,816,212
Cash at bank and in hand	8	55,589	12,200
		9,713,776	9,828,412
Creditors: amounts falling due within one year	9	(75,822)	(111,822)
Net current assets		9,637,954	9,716,590
Net assets		40,236,717	40,315,353
Capital and reserves			
Called up share capital	10	37,170,316	37,170,316
Share premium account		799,000	799,000
Profit and loss account		2,267,401	2,346,037
Total shareholders' funds		40,236,717	40,315,353

These financial statements on page 8 to 16 were approved by the board of directors on 28 June 2019 and were signed on its behalf by:


G Leask
Director

Company registered number: 03851680

Statement of Changes in Equity
for year ended 31 December 2018

	Called up share capital £	Share premium account £	Profit and loss account £	Total Shareholders' funds £
Balance as at 1 January 2017	37,170,316	799,000	2,367,715	40,337,031
Loss for the financial year	-	-	(21,678)	(21,678)
Balance as at 31 December 2017	37,170,316	799,000	2,346,037	40,315,353

	Called up share capital £	Share premium account £	Profit and loss account £	Total Shareholders' funds £
Balance as at 1 January 2018	37,170,316	799,000	2,346,037	40,315,353
Loss for the financial year	-	-	(78,636)	(78,636)
Balance as at 31 December 2018	37,170,316	799,000	2,267,401	40,236,717

Notes

(forming part of the financial statements)

1 Accounting policies

Ineos Capital Limited (the "Company") is a private company, limited by shares, incorporated, domiciled and registered in England, UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2015. The presentation currency of these financial statements is sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently on the going concern basis, to all periods presented in these financial statements and in accordance with the Companies Act 2006 as applicable to companies using FRS 102.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.3 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment in value. Where market conditions exist which, in the opinion of the directors, represents an impairment in value, a charge is made to the profit and loss account in the corresponding period. If circumstances arise which lead to the value increasing, this will be credited to the profit and loss account to a maximum of cost price if management believe the value is sustainable.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Notes (continued)

(forming part of the financial statements)

1 Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.5 Turnover

INEOS Capital Limited operates one class of business, that of a holding company, and in one geographical sector, the United Kingdom. Turnover represents income from investments and is recognised on receipt.

1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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 or a right to pay less tax in the future have occurred at the balance sheet date.

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 an undiscounted basis.

A net deferred tax asset is recognised as recoverable and therefore 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 against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

1.7 Critical accounting estimates / judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Notes (continued)
(forming part of the financial statements)

2 Operating loss

Included in the loss are the following:

	2018 £	2017 £
Fees payable to the Company's auditors for audit of these financial statements	2,700	2,197

3 Directors' remuneration

Neither the directors nor the secretary received any emoluments during the year (2017: nil) in respect of their services to the company. No other persons were employed during the year or in the prior year.

4 Tax on loss

Total tax charge recognised in the profit and loss account

	2018 £	2017 £
<i>Current tax</i>		
Current tax on income for the year	-	-
Total current tax charge for the year	-	-

Reconciliation of tax charge

	2018 £	2017 £
Loss before taxation	(78,636)	(21,678)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.25%)	(14,941)	(4,173)
Effects of:		
Expenses not deductible for tax purposes	30,030	30,426
Use of tax losses previously unrecognised	(15,089)	(26,253)
Total tax charge for the year	-	-

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

The company did not recognise gross losses of £8,138,943 (2017: £8,218,362) as they are not expected to be used in the near future.

Notes (continued)
(forming part of the financial statements)

5 Tangible assets

	Freehold land £
Cost and net book value	
Balance at 1 January 2018 and 31 December 2018	<u>44,675</u>

6 Investments

	Investments £
Cost and net book value	
Balance at 1 January 2018 and 31 December 2018	<u>30,554,088</u>

The Company has the following investments in associates:

	Country of incorporation	Class of shares held	Ownership 2018 %	Ownership 2017 %
Hampshire Aviation LLP	UK	Preferred	25	25

The registered office addresses of the above investments is Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom.

The directors believe that the carrying value of the investments is supported by their underlying net assets and earnings.

7 Debtors

	2018 £	2017 £
Amounts owed by related parties	9,658,187	9,801,560
Other debtors	-	14,652
	<u>9,658,187</u>	<u>9,816,212</u>
Due within one year	6,103,720	6,261,745
Due after more than one year	<u>3,554,467</u>	<u>3,554,467</u>

Amounts owed by related parties due within one year are unsecured, attract interest at commercial rates, have no fixed date of repayment and are repayable on demand.

Amounts owed by group undertakings due after more than one year are unsecured, attract interest at commercial rates and are repayable between 2 and 5 years.

Notes (continued)
(forming part of the financial statements)

8 Cash at bank and in hand

	2018 £	2017 £
Cash at bank and in hand	55,589	12,200

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	36,503
Accruals and deferred income	75,822	75,319
	75,822	111,822

10 Called up share capital

	2018 £	2017 £
Authorised		
1,000,000 (2017: 1,000,000) ordinary shares of £0.001 each	1,000	1,000
50,000,000 (2017: 50,000,000) 'A' ordinary shares of £1 each	50,000,000	50,000,000
1,000 (2017: 1,000) deferred shares of £1 each	1,000	1,000
	50,002,000	50,002,000
Allotted and fully paid		
1,000 (2017: 1,000) ordinary shares of £0.001 each	1	1
37,169,315 (2017: 37,169,315) 'A' ordinary shares of £1 each	37,169,315	37,169,315
1,000 (2017: 1,000) deferred shares of £1 each	1,000	1,000
	37,170,316	37,170,316

Save as provided below; the ordinary shares, the 'A' ordinary shares and the deferred shares rank pari passu.

Each of the deferred shares are entitled to receive a dividend of 0.00001 pence per annum. Each of the 'A' ordinary shares are entitled to receive a dividend of 0.0000001% of any profits of the Company in excess of £50,000,000 per annum.

On return of capital, each of the deferred shares carry the right to amounts paid up immediately subsequent to the repayment of the holders of the ordinary shares pari passu the sum of a further £100,000,000 per share.

None of the deferred shares or the 'A' ordinary shares carry rights to receive notice of or to attend and vote at any general meeting of the company, nor do they carry any other right to participate in the profits or the assets of the company.

The ordinary shares rank pari passu in all respects in relation to any dividend declared made or paid by the company subject only to the dividend rights of the deferred shares as stated above.

On a return of assets on liquidation, reduction of capital or otherwise, the surplus assets of the company available for distribution amongst the members shall be paid to and distributed among the holders of the ordinary shares pro rata according to their respective shareholdings, subject only to the rights on return of capital of the deferred shares and 'A' ordinary shares as set out above.

Notes (continued)
(forming part of the financial statements)

11 Financial instruments

The carrying amounts of the financial assets and liabilities include:

	2018 £	2017 £
Financial assets that are debt instruments measured at amortised cost	9,658,187	9,801,560
Liabilities measured at amortised cost	-	36,503

12 Related parties

The following individuals and group companies are related:

J A Ratcliffe
INEOS AG
INEOS Group AG
Hawkslease Finance Company Limited
Edgerton Security Limited

Transactions undertaken with related parties and balances outstanding at the year end were as follows:

	Value of transaction 2018 £	Balance receivable at 31 December 2018 £	Value of transaction 2017 £	Balance receivable at 31 December 2017 £
Loan advances to related parties				
INEOS Companies	146,251	9,658,187	85,938	9,801,560

13 Ultimate parent company and parent company of larger group

As at 31 December 2018 the immediate parent undertaking was INEOS AG, a company incorporated in Switzerland.

The ultimate parent company at 31 December 2018 was INEOS Limited, a company incorporated in Isle of Man.

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

No other group financial statements include the results of the Company.