**INEOS Investments International Limited**

Annual report and financial statements

Registered number 3938607

31 December 2015

# Contents

# Strategic report for the year ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

**Business overview**

The principal activity of the Company is the management activities of a financial holding company. The company has a branch located in France. There has been no change from the prior year.

**Business review**

The result for the year ended 31 December 2015 was a profit of €34,908,000 (2014 profit of: €2,778,000).

**Objectives and strategy**

The directors do not expect any change in the company's activities during the next financial year as the company will continue to act as a financial holding company.

**Principal risks and uncertainties**

The management of the business and execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to local and national competition factors which would cause a decline in the market. Further discussion of these risks and uncertainties in the context of the group as a whole, is provided in the annual report of parent company INEOS Group Holdings S.A., which does not form part of this report.

**Key Performance Indicators**

The directors of INEOS Group Holdings S.A. manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using performance indicators of the company is not necessary or appropriate for an understanding of the development, performance or position of the business of INEOS Investments International Limited. The development, performance and position of the group, including this company, are discussed in the group's annual report which does not form part of this report.

Approved and signed by order of the board

Y Ali
Company Secretary

15 April 2016

# Directors' report for the year ended 31 December 2015

The directors present their report and the audited financial statements for the year ended 31 December 2015.

**Directors**
The directors who held office during the year and up to the date of signing the financial statements are given below:
G Leask
D Smeeton
JF Ginns

**Future developments**
The directors do not expect any change in the company's activities during the next financial year.

**Dividends**
The directors do not recommend the payment of an interim or final dividend (2014: nil).

**Going concern**
The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of INEOS Holdings Limited. The directors have received confirmation that INEOS Holdings Limited intends to support the company for at least one year after these financial statements are signed.

**Financial risk management**
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 Group Holdings S.A..

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework (FRS 101).*

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 United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### Statement of directors' responsibilities (continued)

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.

### 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.

### Independent auditors

PricewaterhouseCoopers LLP are deemed to be reappointed in accordance with an elective resolution made under section 487 of the Companies Act 2006.

Approved and signed by order of the Board

**Y S Ali**
**Company Secretary**
INEOS Investments International Limited, Hawkslease, Chapel Lane, Lyndhurst, SO43 7FG
15 April 2016

# Independent auditors' report to the members of INEOS Investments International Limited

## Report on the financial statements

### Our opinion

In our opinion, INEOS Investments International Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

### What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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

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

## Other matters on which we are required to report by exception

### Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# Independent auditors' report to the members of INEOS Investments International Limited (continued)

## Responsibilities for the financial statements and the audit

**Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on pages 4 and 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & 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.

**What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Ian Marsden

Ian Marsden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
15 April 2016

## Profit and Loss Account
***for year ended 31 December 2015***

| | *Note* | **2015** | 2014 |
|---|---|---|---|
| | | **€000** | €000 |
| Administrative expenses | | **(8)** | (15) |
| Loss on disposal of investment | | **-** | (27,792) |
| Income from other fixed asset investments | | **-** | 760 |
| Interest receivable and similar income | *5* | **94,288** | 92,271 |
| Interest payable and similar charges | *6* | **(55,776)** | (58,898) |
| **Profit on ordinary activities before taxation** | | **38,504** | 6,326 |
| Tax on profit on ordinary activities | *7* | **(3,596)** | (3,548) |
| **Profit for the financial year** | | **34,908** | 2,778 |

All activities of the company relate to continuing operations.

The company has no recognised other comprehensive income and therefore no separate statement of other comprehensive income has been presented.

# Balance Sheet
***At 31 December 2015***

| | *Note* | 2015 €000 | 2015 €000 | 2014 €000 | 2014 €000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Investments | *8* | | **75,667** | | 75,667 |
| **Current assets** | | | | | |
| Debtors (including *€272,625 (2014: €258,488)* due after more than one year) | *9* | **1,243,832** | | 1,181,847 | |
| Cash at bank and in hand | | **34** | | 68 | |
| | | **1,243,866** | | 1,181,915 | |
| **Creditors:** amounts falling due within one year | *10* | **(359,966)** | | (364,698) | |
| **Net current assets** | | | **883,900** | | 817,217 |
| **Total assets less current liabilities** | | | **959,567** | | 892,884 |
| **Creditors:** amounts falling due after more than one year | *11* | | **(1,044,636)** | | (1,012,861) |
| **Net liabilities** | | | **(85,069)** | | (119,977) |
| **Capital and reserves** | | | | | |
| Called up share capital | *12* | | **-** | | - |
| Profit and loss account | | | **(85,069)** | | (119,977) |
| **Total shareholders' deficit** | | | **(85,069)** | | (119,977) |

These financial statements on pages 8 to 18 were approved by the board of directors on 15 April 2016 and were signed on its behalf by:

**G Leask**
*Director*

Company registered number: 3938607

## Statement of Changes in Equity
***for year ended 31 December 2015***

| | Called up Share capital €000 | Profit and loss account €000 | Total shareholders' deficit €000 |
|---|---|---|---|
| Balance at 1 January 2014 | - | (122,755) | (122,755) |
| Profit for the financial year | - | 2,778 | 2,778 |
| **Balance at 31 December 2014** | - | (119,977) | (119,977) |

| | **Called up Share capital €000** | **Profit and loss account €000** | **Total shareholders' deficit €000** |
|---|---|---|---|
| Balance at 1 January 2015 | - | **(119,977)** | **(119,977)** |
| Profit for the financial year | - | **34,908** | **34,908** |
| **Balance at 31 December 2015** | - | **(85,069)** | **(85,069)** |

# Notes (forming part of the financial statements)

## 1 Accounting policies

INEOS Investments International Limited (the "Company") is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

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

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of INEOS Group Holdings S.A. include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosure*.

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 101.

### *1.1 Measurement convention*

The financial statements are prepared on the historical cost basis. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

### *1.2 Going concern*

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of INEOS Holdings Limited. The directors have received confirmation that INEOS Holdings Limited intends to support the company for at least one year after these financial statements are signed.

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

## 1 Accounting policies *(continued)*

### *1.3 Foreign currency*

Transactions in foreign currencies are translated to the Company's functional currencies 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.

### *1.4 Non-derivative financial instruments*

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

*Trade and other debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

*Trade and other creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

### *1.5 Provisions*

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

### *1.6 Expenses*

*Interest receivable and Interest payable*

Interest payable includes interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a gross basis.

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

**1 Accounting policies** *(continued)*

### *1.7 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 provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

### *1.8 Impairment excluding inventories and deferred tax assets*

The carrying amounts of the Company's assets are assessed at the end of the reporting period to determine whether there is any indication of impairment. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement.

### *1.9 Investments in subsidiaries*

Investments are stated in the balance sheet at cost less any provisions for impairment.

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

## 2 Auditors' remuneration

The audit fee has been included in the overall audit fee for Ineos Group Holdings S.A. both in the current and prior year and is not separately recharged to the company.

## 3 Staff numbers and costs

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

## 4 Directors' remuneration

No directors received any fees or remuneration in respect of their services as a director of the Company during the financial year (2014: none).

## 5 Interest receivable and similar income

| | **2015** | 2014 |
|---|---|---|
| | **€000** | €000 |
| Other interest receivable and similar income | **51,082** | 48,633 |
| Exchange gains | **43,206** | 43,638 |
| **Total interest receivable and similar income** | **94,288** | 92,271 |

Interest receivable and similar income includes €51,082,000 *(2014: €48,633,000)* receivable from group undertakings.

## 6 Interest payable and similar charges

| | **2015** | 2014 |
|---|---|---|
| | **€000** | €000 |
| Other interest payable and similar charges | **55,776** | 58,898 |

Interest payable and similar charges includes €55,776,000 *(2014: €58,898,000)* payable to group undertakings.

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

## 7 Tax on profit on ordinary activities

**Recognised in the profit and loss account**

| | 2015 €000 | 2015 €000 | 2014 €000 | 2014 €000 |
|---|---|---|---|---|
| *UK corporation tax* | | | | |
| Current tax on income for the year | **7,797** | | 7,172 | |
| Adjustments in respect of prior periods | **(4,452)** | | (4,026) | |
| Overseas tax / JV tax | **251** | | 402 | |
| Total current tax charge | | **3,596** | | 3,548 |

**Reconciliation of effective tax rate**

| | 2015 €000 | 2014 €000 |
|---|---|---|
| Total tax charge | **3,596** | 3,548 |
| Profit on ordinary activities before taxation | **38,504** | 6,326 |
| Profit on ordinary activities before taxation multiplied by the standard rate of tax in the UK of 20.25% (2014: 21.5%) | **7,797** | 1,360 |
| Expenses not deductible for tax purposes | - | 5,812 |
| Joint venture tax | **251** | 402 |
| Adjustments in respect of prior periods | **(4,452)** | (4,026) |
| **Total tax charge** | **3,596** | 3,548 |

In July 2015, the UK Corporation tax rate for periods commencing 1 April 2017 was changed from 20% to 19% and for periods from 1 April 2020 from 19% to 18%.

## 8 Investments

Shares in group undertakings

| | 2015 €000 | 2014 €000 |
|---|---|---|
| *Cost* | | |
| At beginning of year | **75,667** | 367,471 |
| Addition | - | 17,275 |
| Disposal | - | (309,079) |
| At end of the year | **75,667** | 75,667 |

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

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

## 8 Investments (continued)

The Company has the following investments in subsidiaries, associates and jointly controlled entities:

| | | | Ownership | |
|---|---|---|---|---|
| **Subsidiaries** | **Country of incorporation** | **Class of share** | **2015** | **2014** |
| INEOS Fluor Holdings Limited* | England | Ordinary | 100% | 100% |
| INEOS Silicas Holdings Limited* | England | Ordinary | 100% | 100% |
| INEOS France SAS* | France | Ordinary | 100% | 100% |
| INEOS Technologies France SAS* | France | Ordinary | 100% | 100% |
| INEOS Investments Partnership | England | Preference | 2% | 2% |
| INEOS Silicas Limited | England | Ordinary | 100% | 100% |
| INEOS Silicas Netherlands BV | Netherland | Ordinary | 100% | 100% |
| INEOS Healthcare Holdings Limited | England | Ordinary | 20% | 20% |
| INEOS Healthcare Limited | England | Ordinary | 20% | 20% |
| INEOS Silicas Trustees Limited | England | Ordinary | 100% | 100% |
| INEOS Fluor Partners Limited | England | Ordinary | 100% | 100% |
| INEOS Fluor Delaware Limited | England | Ordinary | 100% | 100% |
| INEOS Fluor Mexico S de RL de CV | Mexico | Ordinary | 99% | 99% |
| INEOS Fluor Limited | England | Ordinary | 100% | 100% |
| INEOS Fluor International Ltd | England | Ordinary | 100% | 100% |
| INEOS Fluor Trustees Limited | England | Ordinary | 100% | 100% |

*Held directly by the company.

The Company has a non-voting preferred partnership interest in Ineos Investments Partnership, an entity held under common control by the Company's ultimate shareholders, which owns 39% of the share capital of the PQ Corporation, a silicas business incorporated in the USA.

## 9 Debtors

| | **2015** | 2014 |
|---|---|---|
| | **€000** | €000 |
| Amounts owed by group undertakings | **1,243,832** | 1,181,847 |
| Due within one year | **971,207** | 923,359 |
| Due after more than one year | **272,625** | 258,488 |

Amounts owed by group undertakings 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 *(forming part of the financial statements) (continued)*

## 10 Creditors: amounts falling due within one year

| | 2015 | 2014 |
|---|---|---|
| | €000 | €000 |
| Amounts owed to group undertakings | **359,966** | 364,698 |

Amounts owed to group undertakings are unsecured, attract interest at commercial rates, have no fixed repayment and are repayable upon demand.

## 11 Creditors: amounts falling after more than one year

| | 2015 | 2014 |
|---|---|---|
| | €000 | €000 |
| Amounts owed to group undertakings | **1,044,636** | 1,012,861 |

Amounts owed to group undertakings are unsecured, attract interest at commercial rates and are repayable between 2 and 5 years.

## 12 Called up share capital

| | 2015 |
|---|---|
| | €000 |
| ***Allotted, called up and fully paid*** | |
| 1 (2014: 1) Ordinary share of £1 | - |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

## 13 Contingencies

The Company is party to a Senior Secured Term Loans agreement dated 27 April 2012 (as amended). The total outstanding indebtedness under the Senior Secured Term Loans agreement at 31 December 2015 was €4,767.2 million (2014: €3,138.4 million). The Company is a guarantor under the Senior Secured Term Loans agreement. These obligations are secured by fixed and floating charges over the assets of the Company.

The Company is party to the Senior Secured Notes due 2023 Indenture dated 05 May 2015. The total outstanding indebtedness under the Senior Secured Notes at 31 December 2015 was €770.0 million (2014: €1,959.1 million). The Company is a guarantor under the Senior Secured Notes Indenture. These obligations are secured by fixed and floating charges over the assets of the Company.

The Company is party to the Senior Notes due 2018 Indenture dated 14 May 2013 (as amended) and the Senior Notes due 2019 Indenture dated 18 February 2014. The total outstanding indebtedness under the Senior Notes at 31 December 2015 was €2,261.9 million (2014: €2,142.3 million). The Company is a guarantor under the Senior Notes Indentures. These guarantees are on an unsecured senior subordinated basis.

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

## 14 Controlling parties

The Company is a subsidiary undertaking of INEOS Holdings Limited which is the ultimate parent company incorporated in the United Kingdom. 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 AG, a company registered in Switzerland.

The largest group in which the results of the Company are consolidated is that headed by INEOS Group Holdings S.A., a company incorporated in Luxembourg. No other group financial statements include the results of the Company. The consolidated financial statements of INEOS Group Holdings S.A. are available to the public and may be obtained from the Company Secretary, 58, Rue Charles Martel, Luxembourg, L-2134 Luxembourg.

## 15 Accounting estimates and judgements

### Taxation

All the Group's operation are in the UK. Management is required to estimate the tax payable and this involves estimating the actual current tax charge or credit together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which may be included on the consolidated balance sheet of the Group. Management have performed an assessment as to the extent to which future taxable profits will allow the deferred asset to be recovered. The calculation of the Group's total tax charge necessarily involves a significant degree of estimation in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority, or, as appropriate, through a formal legal process.

The Group has, from time to time, contingent tax liabilities arising from trading and corporate transactions. After appropriate consideration, management makes provision for these liabilities based on the probable level of economic loss that may be incurred and which is reliably measurable.

Details of amounts recognised with regard to taxation are disclosed in Note 7.

### Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See Note 9 for the net carrying amount of the debtors and associated impairment provision.