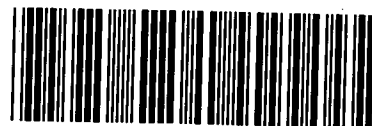


Hawkslease Finance Company Limited
Annual report
for the year ended 31 December 2013

Registered Number 4359903

WEDNESDAY



A3G3WI82

A19

10/09/2014

#209

COMPANIES HOUSE

Hawkslease Finance Company Limited

Annual report

for the year ended 31 December 2013

Contents

Strategic report for the year ended 31 December 2013	1
Directors' report for the year ended 31 December 2013.....	2
Independent Auditors' report to the members of Hawkslease Finance Company Limited.....	4
Profit and loss account for the year ended 31 December 2013	6
Reconciliation of movements in shareholder's deficit for the year ended 31 December 2013	6
Balance sheet as at 31 December 2013	7
Notes to the financial statements.....	8

Hawkslease Finance Company Limited

Strategic report for the year ended 31 December 2013

The Directors present their Strategic report for Hawkslease Finance Company Limited ("the Company") for the year ended 31 December 2013.

Principal activities

The Company's principal activity is to act as a holding company.

Review of the business

The loss on ordinary activities before taxation for the financial year was £5.0 million (2012: £2.9 million).

The loss before taxation is due to net interest payable and similar charges arising on loans from other group undertakings of £5.0 million (2012: £2.9 million).

The net liabilities of the Company at 31 December 2013 were £14.4 million (2012: net liabilities of £10.6 million).

Financial risk management

The Company's operations expose it to a variety of financial risks including the effects of credit risk, liquidity risk and interest rate risk. As most of the Company's operations involve related parties, none of these risks are considered significant.

As the Company is a subsidiary of INEOS Group Holdings S.A. all risks are managed at a Group level. Further detail of the Group's principal risks and uncertainties can be found in the Annual report and financial statements of INEOS Group Holdings S.A.

Future developments

At the end of the year there were no immediate plans for a change in the Company's operations.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

By order of the Board



M J Maher

Director

1 September 2014

Hawkslease Finance Company Limited

Directors' report for the year ended 31 December 2013

The Directors present their report and the audited financial statements of Hawkslease Finance Company for the year ended 31 December 2013.

Future developments

An indication of the likely future developments of the business is included in the Strategic report on page 1

Dividends

The Directors do not recommend the payment of a dividend (2012: £nil).

Financial risk management

Financial risk management strategy is described in the Strategic report on page 1.

Directors

The Directors who held office during the year, and up to the date of signing the financial statements, were as follows:

CE Tane
M J Maher
A J Reed

Going concern

The Directors have received confirmation that INEOS Holdings Limited intends to support the Company to ensure that the Company can continue to meet its financial obligations as and when they fall due. Having received this support, the Directors believe that preparing the financial statements on the going concern basis is appropriate.

Directors' indemnities

As permitted by the Articles of Association, the Company, via a policy maintained by its parent undertaking, has maintained cover for its directors and officers under a directors' and officers' liability insurance policy as permitted by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

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 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; 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. 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.

Hawkslease Finance Company Limited

Directors' report for the year ended 31 December 2013 (continued)

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

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office. As a consequence of the Company passing a written shareholder resolution, there is no longer a requirement to reappoint PricewaterhouseCoopers LLP as auditors of the Company on an annual basis.

By order of the Board



M J Maher

Director

1 September 2014

Hawkslease Finance Company Limited

Independent Auditors' report to the members of Hawkslease Finance Company Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Hawkslease Finance Company Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the reconciliation of movements in shareholders' deficit 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 their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the Annual report 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.

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.

Hawkslease Finance Company Limited

Independent Auditors' report to the members of Hawkslease Finance Company Limited (continued)

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.

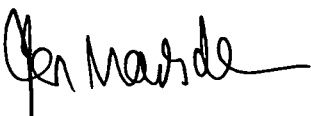
Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities set out on pages 2, 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 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.



Ian Marsden (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
1 September 2014

Hawkslease Finance Company Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £m	2012 £m
Operating result	2	-	-
Net interest payable and similar charges	5	(5.0)	(2.9)
Loss on ordinary activities before taxation		(5.0)	(2.9)
Tax on loss on ordinary activities	6	1.2	0.1
Loss for the financial year	13	(3.8)	(2.8)

All losses for the financial years arose from continuing operations.

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

There were no other gains or losses during the year or the previous year.

Reconciliation of movements in shareholder's deficit for the year ended 31 December 2013

	2013 £m	2012 £m
Loss for the financial year	(3.8)	(2.8)
Shareholder's deficit at the start of the year	(10.6)	(7.8)
Shareholder's deficit at the end of the year	(14.4)	(10.6)

Hawkslease Finance Company Limited

Balance sheet as at 31 December 2013

	Note	2013 £m	2012 £m
Fixed assets			
Investments	7	-	-
Current assets			
Debtors	8	51.9	50.6
Creditors – amounts falling due within one year	9	(31.9)	(27.3)
Net current assets		20.0	23.3
Total assets less current liabilities		20.0	23.3
Creditors – amounts falling due after more than one year	10	(34.4)	(33.9)
Net liabilities		(14.4)	(10.6)
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account	13	(14.4)	(10.6)
Total shareholder's deficit		(14.4)	(10.6)

The financial statements on pages 6 to 12 were approved by the Board of Directors 1 September 2014 and are signed on its behalf by



M J Maher
Director

Hawkslease Finance Company Limited

Registered Number 4359903

Hawkslease Finance Company Limited

Notes to the financial statements

1 Accounting policies

Basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom, the Companies Act 2006 and the accounting policies set out below. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of the Company.

Going concern

The Directors have received confirmation that INEOS Holdings Limited intends to support the Company to ensure that the Company can continue to meet its financial obligations as and when they fall due. Having received this support, the Directors believe that preparing the financial statements on the going concern basis is appropriate.

Group consolidation, cash flow statement and related party disclosures

The Company is a subsidiary of INEOS Group Holdings S.A. and its results are included in the consolidated financial statements of INEOS Group Holdings S.A., which are available to the public. Consequently, the Company has taken advantage of various exemptions from reporting requirements.

- Under the terms of Financial Reporting Standard 2 “Accounting for Subsidiary Undertakings” and in accordance with Section 400 of the Companies Act 2006, the Company is exempt from preparing Group financial statements. The financial statements present information about the Company as an individual undertaking.
- Under the terms of Financial Reporting Standard 1 (revised 1996) “Cash Flow Statements” the Company is exempt from preparing a cash flow statement.
- Under the terms of Financial Reporting Standard 8 “Related Party Disclosures” the Company is exempt from disclosing related party transactions with entities that form part of the INEOS Group Holdings S.A. group.

Investments

Investments held as fixed assets are stated at cost less any provision for permanent diminution in value. All investments are reviewed for impairment when there are indications that the carrying values may not be fully recoverable.

Foreign currencies

Results and assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. Exchange differences on foreign currency loans are also taken directly to reserves where there is an appropriate offset.

2 Operating result

Auditors’ remuneration of £1,849 (2012: £1,749) was borne by a fellow group undertaking.

3 Directors’ emoluments

None of the Directors received any emoluments in respect of services to the Company during the year or the previous year.

4 Employee information

The Company had no employees, other than the Directors, during the year or the previous year.

Hawkslease Finance Company Limited

Notes to the financial statements (continued)

5 Net interest payable and similar charges

	2013 £m	2012 £m
Interest payable on loans from fellow group undertakings	(4.4)	(7.0)
Exchange losses and similar charges	(0.8)	-
Interest payable and similar charges	(5.2)	(7.0)
Interest receivable on loans to fellow group undertakings	0.2	0.4
Exchange gains and similar income	-	3.7
Interest receivable and similar income	0.2	4.1
Net interest payable	(5.0)	(2.9)

6 Tax on loss on ordinary activities

a) Analysis of the tax credit for the year	2013 £m	2012 £m
UK corporation tax at 23.25% (2012: 24.5%) – current year	1.2	0.7
Adjustments in respect of prior years	-	(0.6)
Current tax credit	1.2	0.1

(b) Factors affecting the tax credit for the year

The tax assessed for the year is the same as (2012: higher than) the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	2013 £m	2012 £m
Loss on ordinary activities before taxation	5.0	2.9
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	1.2	0.7
Adjustments in respect of prior years	-	(0.6)
Current tax credit for the year	1.2	0.1

(c) Factors which may affect future tax charges

The Finance Act 2013 was substantively enacted on 2 July 2013 and included legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and further reduce to 20% from 1 April 2015.

Hawkslease Finance Company Limited

Notes to the financial statements (continued)

7 Fixed asset investments

The Company's principal subsidiary undertakings are as follows:

Subsidiary undertaking	Country of registration or incorporation	Principal activity	Class/percentage of shares held
INEOS Vinyls Holdings Limited *	England	Holding company	Ordinary 100%
INEOS Vinyls Investments Limited	England	Non-trading	Ordinary 100%
INEOS Vinyls Limited	England	Holding Company	Ordinary 100%
INEOS Vinyls (II) Limited	England	Non-trading	Ordinary 100%
INEOS Films Srl	Italy	Dormant	Ordinary 100%

* Shares held directly by the Company

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

8 Debtors

	2013 £m	2012 £m
Amounts owed by group undertakings	49.6	49.5
Corporation tax – group relief	2.3	1.1
	51.9	50.6

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and bear interest at a market rate.

9 Creditors – amounts falling due within one year

	2013 £m	2012 £m
Amounts owed to related parties	3.6	3.6
Amounts owed to fellow group undertakings	28.3	23.7
	31.9	27.3

10 Creditors – amounts falling due after more than one year

	2013 £m	2012 £m
Amounts owed to fellow group undertakings	34.4	33.9

Hawkslease Finance Company Limited

Notes to the financial statements (continued)

11 Borrowings

	2013 £m	2012 £m
Loans from related parties due within one year or on demand	3.6	3.6
Loans from fellow group undertakings due within one year or on demand	28.3	23.7
Total loans due within one year or on demand (Note 9)	31.9	27.3
Loans from fellow group undertakings due after more than five years (Note 10)	34.4	33.9
Total borrowings	66.3	61.2

None of the loans outstanding as at 31 December 2013 are secured or repayable in instalments (2012: nil). All of the loans from related parties due within one year are interest free. Interest on loans from fellow group undertakings are payable at market rates. None of the loans have a fixed maturity date (2012: nil).

12 Called up share capital

At 31 December 2012 and 31 December 2013	Allotted and fully paid up	
	Number	£
Ordinary shares of 1p each	100,000	1,000

13 Reserves

Profit and loss account	£m
At 1 January 2013	(10.6)
Loss for the financial year	(3.8)
At 31 December 2013	(14.4)

14 Related party transactions

INEOS Capital Limited is a subsidiary of INEOS AG, the ultimate parent company of Hawkslease Finance Company Limited. At 31 December 2013, the company owed £3.6 million (2012: £3.6m) to INEOS Capital Limited.

Hawkslease Finance Company Limited

Notes to the financial statements (continued)

15 Ultimate parent company and ultimate controlling party

The intermediate parent undertaking is INEOS Vinyls Group Limited, a company registered in England and Wales. The ultimate parent company is INEOS AG, a company registered in Switzerland.

The smallest and largest group that consolidate the Company's financial statements is INEOS Group Holdings S.A., a subsidiary of INEOS AG. The consolidated financial statements of INEOS Group Holdings S.A. are available to the public and may be obtained from the Company Secretary at: 58 Rue Charles Martel, Luxembourg, L-2134, Luxembourg.

The Directors regard Mr JA Ratcliffe to be the ultimate controlling party by virtue of his shareholding in INEOS AG.