

Hawkslease Finance Company Limited

Annual report and financial statements

Registered number 4359903

31 December 2019

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Strategic report

The directors present their Strategic report for Hawkslease Finance Company Limited (“the Company”) for the year ended 31 December 2019.

Principal activities

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

Review of the business

The profit before taxation for the financial year was £nil (2018: £34.1 million).

During 2018 the Company waived a loan receivable from a group undertaking. This gave rise to a loss of £50.8 million. Loans payable by the Company to group undertakings were also waived, resulting in a gain of £90.7 million.

The net assets of the Company at 31 December 2019 were £3.9 million (2018: £3.9 million).

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 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.

The Company and its subsidiaries are closely monitoring the evolution of the COVID-19 coronavirus and are following the World Health Organisation travel advice. With regards to business impact, the effect the virus will have on the global economy and the chemicals industry is difficult to assess at this point in time, although the Company and its subsidiaries are constantly evaluating the situation and monitoring any potential effects on production and deliveries.

Section 172 (1) Statement

The Company’s governance and processes are operated to ensure that all relevant matters are considered by the Board in its principal decision-making, as a means of contributing to the delivery of the Company’s long-term success.

In the performance of its duty to promote the success of the Company and fairness in decision making the Board has agreed to a number of matters. This includes listening to and considering the views of its single shareholder and ultimate controlling party as well as the Company’s other stakeholders to build trust and ensure it fully understands the potential impacts of any decisions on the environment and the communities in which it operates.

Stakeholder Engagement

The Company aims to build enduring relationships with its stakeholders which may include governments, regulators, partners and communities in the countries where it operates. The Company works with its stakeholders in a honest, respectful and responsible way.

Strategic report (continued)

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 Hawkslease Finance Company Limited. The development, performance and position of the group, including this company, is discussed in the group's annual report which does not form part of this report.

Approved and signed on behalf of the Board



M J Maher

Director

25 September 2020

Directors' report

The directors present their report and the audited financial statements of Hawkslease Finance Company Limited for the year ended 31 December 2019.

Directors

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

C E Tane (resigned 1 January 2020)

M J Maher

J D Taylorson (appointed 1 January 2020)

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in 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 funded internally by INEOS Group Holdings S.A. 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..

Subsequent event

The Company and its subsidiaries are closely monitoring the evolution of the COVID-19 coronavirus and are following the World Health Organisation travel advice. With regards to business impact, the effect the virus will have on the global economy and the chemicals industry is difficult to assess at this point in time, although the Company and its subsidiaries are constantly evaluating the situation and monitoring any potential effects on production and deliveries. Whilst there is significant uncertainty due to the COVID-19 crisis, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Dividends

The directors do not recommend the payment of a dividend (2018: 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 101 "Reduced Disclosure Framework", 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;
- make judgements and accounting estimates that are reasonable and prudent; and

Directors' report (continued)

Statement of directors' responsibilities (continued)

- 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.

Independent auditors

During the year Deloitte LLP were appointed as auditors and have expressed their willingness to continue in office as auditor pursuant to Section 485-488 of the Companies Act 2006. Appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Registered address

Hawkslease Finance Company Limited
PO Box 9 Runcorn Site HQ
South Parade
Runcorn, Cheshire,
WA7 4JE

Approved and signed on behalf of the Board



M J Maher
Director
25 September 2020

Independent auditor's report to the members of Hawkslease Finance Company Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Hawkslease Finance Company Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes to the financial statements 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Hawkslease Finance Company Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Matt Hughes BSC(Hons) ACA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
25 September 2020

Profit and loss account
for the year ended 31 December 2019

	<i>Note</i>	2019 £m	2018 £m
Operating result	2	-	-
Interest receivable and similar income	4	-	0.3
Interest payable and similar expenses	5	-	(6.1)
Amounts waived from loans due to group undertakings	6	-	90.7
Amounts waived from loans due from group undertakings	7	-	(50.8)
Result/profit before taxation		-	34.1
Tax on result/profit	8	-	1.2
Result/profit for the financial year		-	35.3

All activities of the Company relate to continuing operations.

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

Balance sheet

As at 31 December 2019

	Note	2019 £m	2019 £m	2018 £m	2018 £m
Fixed assets					
Investments	9		-		-
			<hr/>		<hr/>
			-		-
Current assets					
Debtors	10	7.5		7.5	
		<hr/>		<hr/>	
		7.5		7.5	
Creditors: amounts falling due within one year	11	(3.6)		(3.6)	
		<hr/>		<hr/>	
Net current assets			3.9		3.9
			<hr/>		<hr/>
Total assets less current liabilities			3.9		3.9
			<hr/>		<hr/>
Net assets			3.9		3.9
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	12		-		-
Profit and loss account			3.9		3.9
			<hr/>		<hr/>
Total shareholders' funds			3.9		3.9
			<hr/>		<hr/>

These financial statements on pages 9 to 19 were approved by the board of directors on 25 September 2020 and were signed on its behalf by:



M J Maher
Director

Hawkslease Finance Company Limited

Company registered number: 4359903

Statement of changes in equity
for the year ended 31 December 2019

	Called up share capital £m	Profit and loss account £m	Total shareholders' funds £m
Balance at 1 January 2018	-	(31.4)	(31.4)
Profit for the financial year	-	35.3	35.3
Balance at 31 December 2018	-	3.9	3.9

	Called up share capital £m	Profit and loss account £m	Total shareholders' funds £m
Balance at 1 January 2019	-	3.9	3.9
Result for the financial year	-	-	-
Balance at 31 December 2019	-	3.9	3.9

Notes

(forming part of the financial statements)

1 Accounting policies

Hawkslease Finance Company Limited (the "Company") is a private company, limited by shares, incorporated under the Companies Act 2006, registered and domiciled in England, 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 are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of INEOS Group Holdings S.A.. The group accounts of INEOS Group Holdings S.A. are available to the public and can be obtained as set out in note 14.

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.

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.

1.2 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.

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

1 Accounting policies (continued)

1.3 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Non-derivative financial instruments comprise trade and other receivables, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade receivables meet the cash flow characteristics and business model tests as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss.

Trade and other payables

Trade and other payables are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

1.4 Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

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

1 Accounting policies (continued)

1.5 Expenses

Finance income and cost

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 income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.6 Taxation

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

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. A provision is recognised for those matters for which the tax determination is uncertain but is considered probable that there will be a future outflow of funds

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.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable

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

2 Operating result

Fees receivable by the Company's auditors and its associates in respect of services to the Company and its associates, are disclosed on a consolidated basis in the consolidated financial statements of INEOS Group Holdings S.A..

3 Staff costs and directors' remuneration

The Company had no employees during the year (2018: nil). No directors received any fees or remuneration in respect of their services as a director of the Company during the financial year (2018: £nil).

4 Interest receivable and similar income

	2019 £m	2018 £m
Interest receivable from group undertakings	-	0.3
	<u> </u>	<u> </u>

5 Interest payable and similar expenses

	2019 £m	2018 £m
Interest payable to group undertakings	-	5.1
Net foreign exchange loss	-	1.0
	<u> </u>	<u> </u>
	-	6.1
	<u> </u>	<u> </u>

6 Amounts waived from loans due to group undertakings

During 2018 loans payable by the Company to group undertakings were waived. This gave rise to a gain of £90.7 million.

7 Amounts waived from loans due from group undertakings

During 2018 the Company waived a loan receivable from a group undertaking. This gave rise to a loss of £50.8 million.

8 Tax on result/profit

Recognised in the profit and loss account

	2019 £m	2019 £m	2018 £m	2018 £m
<i>UK corporation tax</i>				
Current tax on profit for the financial year	-		(1.1)	
Adjustments in respect of prior periods	-		(0.1)	
	<hr/>		<hr/>	
Total current tax		-		(1.2)
		<hr/>		<hr/>
Tax on profit		-		(1.2)
		<hr/>		<hr/>

Reconciliation of effective tax rate

	2019 £m	2018 £m
Result/profit before taxation	-	34.1
Result/profit before taxation multiplied by the standard rate of tax in the UK of 19.0% (2018: 19.0%)	-	6.5
Expenses not subject to corporation tax	-	9.6
Non-chargeable income	-	(17.2)
Adjustments in respect of prior periods	-	(0.1)
	<hr/>	<hr/>
Total tax credit	-	(1.2)
	<hr/>	<hr/>

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. In the 2020 budget it was announced that the corporation tax main rate would remain at 19% for the financial year beginning 1 April 2020, rather than reducing it to 17% from 1 April 2020. The charge to corporation tax and the main rate will also be set at 19% for the financial year beginning 1 April 2021.

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

9 Investments

Shares in
group
undertakings
£m

Cost and net book value

At 31 December 2018 and 31 December 2019

-

The Company has the following investments in subsidiaries:

	Country of incorporation	Principal activity	Registere d office reference	Class of shares held	Ownership 2019	Ownership 2018
INEOS Vinyls Holdings Limited *	England	Holding company	(A)	Ordinary	100%	100%
INEOS Vinyls Limited	England	Holding company	(A)	Ordinary	100%	100%
INEOS Films Srl ⁽¹⁾	Italy	Dormant	(B)	Ordinary	100%	100%
INEOS Compounds UK Ltd	England	Non trading	(C)	Ordinary	100%	100%
INEOS Vinyls France SAS	France	Non trading	(D)	Ordinary	100%	100%
INEOS Compounds France SAS	France	Non trading	(D)	Ordinary	100%	100%
INEOS Vinyls Belgium NV	Belgium	Manufacture of other chemicals	(E)	Ordinary	100%	100%
Interplastik-Werk GmbH	Austria	Non trading	(F)	Ordinary	100%	100%
EVC Nederland BV	Netherlands	Non trading	(G)	Ordinary	100%	100%
INEOS Films Limited	England	Non trading	(H)	Ordinary	100%	100%
INEOS Technologies (Vinyls) Limited	England	Manufacture of other chemicals	(A)	Ordinary	100%	100%

*Shares held directly by the Company

⁽¹⁾ INEOS Films Srl is in liquidation

The registered office addresses of the investments disclosed in this note are:

Reference	Registered office address
(A)	Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom
(B)	Via XXIV Maggio, 1, 21043, Castiglione Olona, Varese (VA), Italy
(C)	School Aycliffe Lane, Newton Aycliffe, Co Durham, DL5 6EA
(D)	Voie Communale de Baconnes 77500, France
(E)	Avenue des Olympiades 20, 1140 Brussels, Belgium
(F)	Kaizer Josef Platz 12, A-4600, Wels, Austria
(G)	Luna Arena, Herikerbergweg 238, 1101 CM, Amsterdam, Netherlands
(H)	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom

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

10 Debtors

	2019 £m	2018 £m
Amounts owed by group undertakings - group relief	7.5	7.5

Group relief debtors are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Creditors: amounts falling due within one year

	2019 £m	2018 £m
Amounts owed to related parties	3.6	3.6

Amounts owed to related parties are unsecured, have no fixed repayment and are repayable upon demand.

12 Called up share capital

At 31 December 2018 and 31 December 2019

	Number	£
<i>Allotted, called up and fully paid</i>		
Ordinary shares of 1 p each	100,000	1,000
Shares classified in shareholders' funds	100,000	1,000

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 Related parties

Identity of related parties with which the Company has transacted

INEOS Capital Limited is a subsidiary of INEOS Limited, the ultimate parent company of Hawkslease Finance Company Limited. At 31 December 2019, the Company owed £3.6 million (2018: £3.6 million) to INEOS Capital Limited.

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

14 Controlling parties

The Company is a subsidiary undertaking of INEOS Vinyls Group Limited which is its immediate parent company incorporated in England and Wales. The ultimate parent undertaking is INEOS Limited, a company incorporated in the 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.

The largest and smallest group in which the results of the Company are consolidated is that headed by INEOS Group Holdings S.A., a company registered in Luxembourg and a subsidiary of INEOS Limited. The consolidated financial statements of INEOS Group Holdings S.A. are available to the public and may be obtained from the Company Secretary at its registered office 58 Rue Charles Martel, Luxembourg, L-2134.

15 Critical accounting judgements and key sources of estimation uncertainty

The Company prepares its financial statements in accordance with FRS101, which requires management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods. There is no area within the financial statements that involves a significant degree of judgement or estimation.

16 Subsequent event

The Company and its subsidiaries are closely monitoring the evolution of the COVID-19 coronavirus and are following the World Health Organisation travel advice. With regards to business impact, the effect the virus will have on the global economy and the chemicals industry is difficult to assess at this point in time, although the Company and its subsidiaries are constantly evaluating the situation and monitoring any potential effects on production and deliveries.