

INEOS Chlor Group Limited  
Annual report  
for the year ended 31 December 2004

**Registered Number 4687714**



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for the year ended 31 December 2004  
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# INEOS Chlor Group Limited

## Directors' report for the year ended 31 December 2004

The Directors present their report and the audited financial statements for the year ended 31 December 2004.

### Principal activities

The Company acts as a holding company. The Group's principal activity is the manufacture and sale of chemicals and related services to the chemical industry.

### Review of the business

Group turnover for the year was £385.5m (2003: £372.6m) and the profit on ordinary activities before taxation was £7.8m (2003: loss of £15.9m) after taking into account an exceptional operating loss of £4.4m (2003: £15.8m). The Company did not trade during the year and the Directors do not recommend the payment of a dividend.

In February 2004, INEOS Chlor Limited signed a contract with Alstom Power Limited for the design, construction and commissioning of a boiler plant to be located at the Runcorn Site. Also, in March 2004 INEOS Chlor Limited signed a contract with Fluor Daniel BV and Uhde GmbH for the front end engineering definition of a new chlorine plant at the Runcorn site.

In October 2004 INEOS Chlor Limited signed an engineering, procurement and construction management contract with Fluor Corporation for a new chlor-alkali plant to be built at the Group's manufacturing site in Runcorn. Fluor Corporation is the overall project manager working with an integrated team of engineers from Uhde GmbH of Dortmund, Germany and the Group. The Group will use its new proprietary electrolyser technology, BiChlor. The facility is due for completion in November 2005.

On 25 October 2004 the Company, INEOS and ICI agreed a further restructuring of the financial and shareholding relationships in respect of the Group. This restructuring formed part of a revised financing package for the Group which supports the substantial modernisation of INEOS Chlor Limited's chlor-alkali assets at Runcorn Site, Cheshire. Further details are shown in Note 1.

### Directors and their interests

The Directors who held office during the year and their beneficial interests in the 1p ordinary shares of the Company were as follows:

	31 December 2004 Number of shares	1 January 2004 Number of shares
JA Ratcliffe	4,651	4,651
J Reece	1,583	1,583
AC Currie	1,583	1,583

### Employees

It is the Group's practice to give full and fair consideration to applications for employment received from disabled persons, subject to the Group's requirements and to the qualifications, ability and aptitude of the individual in each case.

Employees are provided with information about the Group through regular briefing bulletins.

### Political and charitable contributions

The Group made no political contributions during the year. Charitable donations amounted to £66,000 (2003: £79,000).

# INEOS Chlor Group Limited

## Directors' report for the year ended 31 December 2004 (continued)

### Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. The Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office. As a result of the Company passing a written resolution, there is no longer a requirement for the Auditors to be appointed on an annual basis.

By order of the Board



M Mitchell  
Secretary

26 May 2005

# INEOS Chlor Group Limited

## Independent Auditors' report to the members of INEOS Chlor Group Limited

We have audited the financial statements which comprise the Group profit and loss account, the Group balance sheet, the Company balance sheet, the Group cash flow statement, the statement of total recognised gains and losses, the reconciliation of movements in Group equity shareholders' funds/(deficit) and the related notes which have been prepared under the accounting policies set out in the statement of accounting policies.

### Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.

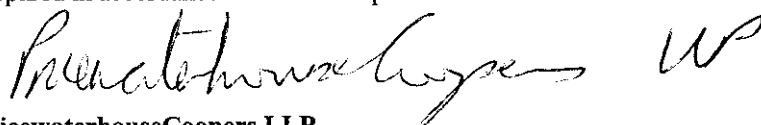
### Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 31 December 2004 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

26 May 2005

# INEOS Chlor Group Limited

## Group profit and loss account for the year ended 31 December 2004

	Note	2004 Before Exceptional Items £m	2004 Exceptional Items (Note 4) £m	2004 After Exceptional Items £m	2003 Before Exceptional Items £m	2003 Exceptional Items (Note 4) £m	2003 After Exceptional Items £m
<b>Turnover</b>	3	385.5	-	385.5	372.6	-	372.6
Cost of sales		(337.7)	(2.1)	(339.8)	(322.4)	(1.8)	(324.2)
<b>Gross profit</b>		47.8	(2.1)	45.7	50.2	(1.8)	48.4
Selling and distribution costs		(14.2)	(0.1)	(14.3)	(18.8)	(0.4)	(19.2)
Administrative expenses before amortisation of goodwill		(23.4)	(2.2)	(25.6)	(29.1)	(13.6)	(42.7)
Amortisation of goodwill		5.1	-	5.1	4.9	-	4.9
Administrative expenses		(18.3)	(2.2)	(20.5)	(24.2)	(13.6)	(37.8)
Other operating income		1.1	-	1.1	2.9	-	2.9
<b>Operating profit/(loss)</b>	2,3	16.4	(4.4)	12.0	10.1	(15.8)	(5.7)
Net interest payable	7			(4.2)			(10.2)
<b>Profit/(loss) on ordinary activities before taxation</b>				7.8			(15.9)
Tax on profit/(loss) on ordinary activities	8			(2.7)			2.7
<b>Profit/(loss) on ordinary activities after taxation</b>				5.1			(13.2)
Minority interests	22			106.8			48.2
<b>Retained profit for the financial year</b>	21			111.9			35.0

There is no difference between the profit/(loss) on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

As permitted by Section 230 (1) of the Companies Act 1985, the Company has not presented its own profit and loss account. The amount of profit after taxation dealt with in the accounts of the Company is £nil (2003: £nil).

# INEOS Chlor Group Limited

## Group balance sheet as at 31 December 2004

	Note	2004 £m	2003 £m
<b>Fixed assets</b>			
Intangible assets	9	(36.2)	(35.0)
Tangible assets	10	212.2	117.0
Investments	11	-	-
		176.0	82.0
<b>Current assets</b>			
Stocks	13	24.5	21.8
Debtors – amounts falling due within one year	14	87.3	78.0
Debtors – amounts falling due after more than one year	14	1.1	3.0
Cash at bank and in hand	15	7.8	2.9
		120.7	105.7
<b>Borrowings</b>	15	(20.5)	(26.5)
<b>Other creditors</b>	16	(113.0)	(69.3)
<b>Creditors – amounts falling due within one year</b>		(133.5)	(95.8)
<b>Net current (liabilities)/assets</b>		(12.8)	9.9
<b>Total assets less current liabilities</b>	3	163.2	91.9
<b>Financed by :</b>			
<b>Borrowings</b>	15	45.9	90.1
<b>Other creditors</b>	17	1.7	1.8
<b>Creditors - amounts falling due after more than one year</b>		47.6	91.9
Provisions for liabilities and charges	18	3.3	3.9
Deferred income	19	4.1	4.4
		55.0	100.2
<b>Capital and reserves</b>			
Called up share capital	20	-	-
Profit and loss account	21	98.1	(14.1)
<b>Total equity shareholders' funds/(deficit)</b>		98.1	(14.1)
Minority shareholders' equity interests	22	10.1	5.8
<b>Total equity shareholders' funds/(deficit)</b>		108.2	(8.3)
		163.2	91.9

The financial statements on pages 3 to 31 were approved by the Board of Directors on 26 May 2005 and are signed on its behalf by



J Reece

# INEOS Chlor Group Limited

## Company Balance sheet as at 31 December 2004

	Note	2004 £	2003 £
Fixed asset investments	11	186	185
<b>Creditors - amounts falling due after more than one year</b>			
Amounts payable to Group undertakings		(85)	(85)
Other creditors		(1)	-
		(86)	(85)
<b>Total assets less current liabilities</b>		<b>100</b>	<b>100</b>
<b>Capital and reserves</b>			
Called up share capital	20	100	100
Profit and loss account		-	-
<b>Equity shareholders' funds</b>		<b>100</b>	<b>100</b>

The financial statements on pages 3 to 31 were approved by the Board of Directors on 26 May 2005 and are signed on its behalf by



J Reece



# INEOS Chlor Group Limited

## Group cash flow statement for the year ended 31 December 2004

	Note	2004 £m	2003 £m
<b>Net cash inflow from operating activities</b>	23	35.2	7.4
<b>Returns on investment and servicing of finance</b>			
Interest received		0.4	0.2
Interest paid		(1.6)	(6.5)
Dividends paid to minority interests		(0.2)	(0.9)
Net cash outflow from returns on investment and servicing of finance		(1.4)	(7.2)
<b>Tax paid</b>		(0.1)	(0.6)
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		(93.7)	(27.8)
Less: Grants and similar receipts		0.2	0.4
Net cash outflow from capital expenditure		(93.5)	(27.4)
<b>Net cash outflow before financing</b>		(59.8)	(27.8)
<b>Financing</b>			
Increase in loans payable	24	70.8	10.1
Capital element of finance lease payments	24	(0.1)	(0.2)
Net cash inflow from financing		70.7	9.9
<b>Increase/(decrease) in net cash</b>	24	10.9	(17.9)

# INEOS Chlor Group Limited

## Statement of total recognised gains and losses for the year ended 31 December 2004

	2004 £m	2003 £m
Retained profit for the year	111.9	35.0
Exchange translation effect on results of subsidiaries	0.3	(0.7)
<b>Total recognised gains and losses for the financial year</b>	<b>112.2</b>	<b>34.3</b>

## Reconciliation of movements in Group equityshareholders' funds/(deficit) for the year ended 31 December 2004

	2004 £m	2003 £m
<b>Retained profit for the year</b>	<b>111.9</b>	<b>35.0</b>
Other recognised gains and losses	0.3	(0.7)
Net increase in equity shareholders' funds	112.2	34.3
Equity shareholders' deficit at start of year	(14.1)	(48.4)
<b>Equity shareholders' funds at end of year</b>	<b>98.1</b>	<b>(14.1)</b>

# INEOS Chlor Group Limited

## Accounting policies

These financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

### Group consolidation

The Group accounts include the accounts of INEOS Chlor Group Limited and its subsidiary undertakings.

Merger accounting is adopted where there has been a group reconstruction provided that the use of merger accounting is not prohibited by companies' legislation, the ultimate shareholders and their respective rights remain the same and the transfer alters no minority's interest in the net assets of the Group. In all other cases the results of acquired businesses are included from the effective date of acquisition. The results of businesses divested during the year are included up to the effective date of disposal.

### Turnover

Turnover represents the sales value of goods and services supplied to customers during the year. It excludes sales between Group companies, VAT and similar sales based taxes. Revenue is recognised at the point at which title passes.

### Tangible fixed assets and depreciation

Freehold land and assets in the course of construction are not depreciated. Assets in the course of construction are transferred to land and buildings or plant and machinery upon completion. Depreciation is charged when these assets come into use.

Depreciation on all other tangible fixed assets is calculated so as to write off the historic cost of the assets on a straight line basis over their effective lives. The typical effective lives of assets are:

Freehold buildings	-	30 to 50 years
Plant and machinery		
• Major items of plant	-	10 to 20 years
• Major plant overhauls	-	2 to 4 years
• Motor vehicles	-	5 years
• Fixtures, fittings and equipment	-	5 to 10 years
• Computer hardware and major software	-	2 to 4 years

Any impairment in the value of fixed assets, calculated by discounting estimated future cash flows, is dealt with in the profit and loss account in the period to which the impairment relates.

### Negative goodwill

When the fair value of the separable net assets exceeds the fair value of the consideration for an acquired undertaking the difference is treated as negative goodwill and is capitalised and amortised through the profit and loss account in the period in which the non-monetary assets acquired are recovered. In the case of fixed assets this is the period over which they are depreciated.

### Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. The cost of finished goods and work in progress includes an appropriate proportion of overhead expenses.

### Government grants and similar deferred income

Government grants and similar cash contributions are shown in the balance sheet as deferred income. This income is amortised on a straight line basis over the same period as the tangible fixed asset to which it relates or the life of the related project.

# INEOS Chlor Group Limited

## Accounting policies (continued)

### Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a “finance lease”. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as “operating leases” and the rental costs are charged to the profit and loss account on a straight line basis over the life of the lease.

### Pension costs

Certain UK Group companies participate in a multi-employer pension scheme providing benefits based on final pensionable pay. The assets of this scheme are held separately from those of the Group. Certain other non-UK Group companies also participate in local pension schemes providing similar benefits. Contributions to the schemes are charged to the profit and loss account so as to spread the cost over employees’ working lives with the companies.

The expected cost of pensions in respect of the Group’s defined benefit pension schemes is charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees in the schemes. Variations from the regular cost are spread over the expected remaining service lives of current employees in the schemes. The pension cost is assessed in accordance with the advice of qualified actuaries.

### Deferred taxation

Deferred tax is recognised as a liability or asset in respect of all timing differences which have originated but not reversed at the balance sheet date if transactions have occurred at the balance sheet date which give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured at the average tax rates which are expected to apply in the periods during which the timing differences are expected to reverse, based on the tax rates and laws which are in place at the balance sheet date. Deferred tax assets and liabilities are not discounted.

No provision is made to cover any further liability to taxation which could arise in respect of the distribution of profits retained by overseas subsidiary undertakings.

### Investments

Investments held as fixed assets are stated at cost less any provision for permanent diminution in value. Where the cost of investments includes long term loans, these are included within fixed asset investments.

### Research and development

Expenditure on research and development is written off when incurred.

### 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. The net difference arising from the restatement of the net assets of overseas subsidiary and related Companies at the beginning of the financial year, using the exchange rates prevailing at the end of the financial year, is taken directly to reserves. Exchange differences on foreign currency loans are also taken directly to reserves where there is an appropriate offset.

# INEOS Chlor Group Limited

## Notes to the accounts

### 1 Group Restructuring and Investment Programme

On 25 October 2004 the Company, INEOS and ICI agreed to restructure the financial and shareholding relationships in respect of INEOS Chlor. This restructuring formed part of a revised financing package for INEOS Chlor that supports the substantial modernisation of the Group's chlor-alkali assets at Runcorn Site. The main features of the agreed refinancing and restructuring of the Group were:

#### **a) Transfer of ICI's shareholdings in INEOS Chlor to INEOS**

Prior to 25 October 2004 ICI, through its subsidiary ICI Industrial Investments Limited, owned 15% of the share capital of INEOS Chlor Limited and INEOS Chlor Enterprises Limited.

On 25 October 2004 ICI transferred these 15% shareholdings to INEOS. Its 15% shareholding in INEOS Chlor Enterprises Limited was acquired by the Company and its interest in ICI Industrial Investments Limited was acquired by INEOS Holdings Limited.

#### **b) Transfer of ICI's existing funding commitments to INEOS**

With the transfer of ICI Industrial Investments Limited to INEOS on 25 October 2004, the remaining funding obligations undertaken by ICI also transferred to INEOS. At 25 October 2004 these obligations were:

- The final tranche of the ICI revolving loan facility (£30m)
- Provision of a subscription against 8% Loan Notes 2015 (£24.5m).

#### **c) Capitalisation of loans owed by the Group to ICI**

On 25 October 2004 INEOS Chlor Limited and INEOS Chlor Newco 2 Limited issued deferred shares to ICI Industrial Investments Limited credited as fully paid by capitalisation of the outstanding ICI Industrial Investments Limited indebtedness. The loan facilities used to subscribe for these deferred shares were:

- INEOS Chlor Limited, Revolving Loan Facility (£71.6m, including accrued interest)
- INEOS Chlor Limited, 8% Loan Note 2015 (£15.0m)
- INEOS Chlor Newco 2 Limited, Revolving Loan Facility (£31.2m, including accrued interest)

The minority interest holding created by the issue of these deferred shares was subsequently written down to its market value.

#### **d) New funding to finance investment projects**

At 31 December 2003 INEOS Fluor Limited, INEOS Silicas Limited and EVC International NV committed to providing the Group with loans of £20m in total. As part of the refinancing, this loan facility was increased by an additional £36m tranche from INEOS Holdings Limited.

The Sales Ledger Financing Agreement will continue to be available (Note 15).

In respect of the Regional Selective Assistance award, the Department of Trade and Industry has agreed in principle to the restructuring and refinancing.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 2 Operating Profit/(Loss)

Operating profit before exceptional operating items is stated after charging/(crediting)

	2004 £'000	2003 £'000
Auditors' remuneration		
Audit fees, including £nil (2003: £nil) relating to the Company	125	100
Non-audit services, including £50,000 relating to Group restructuring (2003: £149,000)	184	332
Depreciation	17,300	15,400
Amortisation	(5,600)	(5,300)
Loss on disposal of tangible fixed assets	-	200
Research and development costs	1,357	1,887
Rentals payable under operating leases:		
Land and buildings	122	131
Plant and machinery	3,001	2,509

### 3 Segmental information

2004	UK £m	Continental Western Europe £m	North America £m	Asia Pacific £m	Other £m	Total £m
Turnover, by destination:	156.8	143.5	14.1	30.9	40.2	385.5
Analysis by origin:						
Turnover	330.6	37.8	11.4	5.7	-	385.5
Operating profit	8.9	2.3	-	0.8	-	12.0
Total assets less current liabilities	144.5	14.4	1.1	3.2	-	163.2
2003	UK £m	Continental Western Europe £m	North America £m	Asia Pacific £m	Other £m	Total £m
Turnover, by destination:	160.5	121.9	22.7	32.8	34.7	372.6
Analysis by origin:						
Turnover	331.2	25.1	11.1	5.2	-	372.6
Operating profit/(loss)	(2.9)	(3.3)	-	0.5	-	(5.7)
Total assets less current liabilities	75.1	13.0	0.7	3.1	-	91.9

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 4 Exceptional operating items

	2004 £m	2003 £m
Organisation restructuring	2.5	2.3
Financial restructuring	1.9	-
Provision against fixed asset investments	-	13.5
	4.4	15.8

Further details relating to the organisation restructuring are given in Note 18.

Further details relating to the financial restructuring are given in Note 1.

### 5 Directors' emoluments

The Directors did not receive any remuneration during the year (2003: £nil).

### 6 Staff numbers and costs

The average number of people employed by the Group (including Directors) during the year, was as follows:

	2004 Number	2003 Number
UK	1,370	1,425
Continental Western Europe	235	255
North America	2	2
Asia Pacific	84	83
	1,691	1,765

The aggregate payroll costs of these people were as follows:

	2004 £m	2003 £m
Wages and salaries	52.5	54.4
Social security costs	5.7	5.6
Other pension costs (Note 27)	5.9	6.4
	64.1	66.4

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 7 Net interest payable

	2004 £m	2003 £m
Interest payable on borrowings totally repayable within 5 years	1.8	1.0
Interest payable on other borrowings	2.8	9.4
Interest payable and similar charges	4.6	10.4
Interest receivable and similar income	(0.4)	(0.2)
<b>Net interest payable</b>	<b>4.2</b>	<b>10.2</b>

Included in the above is interest payable on finance leases of £nil (2003: £nil).

### 8 Tax on profit/(loss) on ordinary activities

(a) Analysis of charge/(credit) in period	2004 £m	2003 £m
UK Corporation Tax at 30%	-	-
Deferred taxation	2.0	(2.9)
Overseas taxation – current year	0.8	0.5
Overseas taxation – prior year	(0.1)	(0.3)
	<b>2.7</b>	<b>(2.7)</b>

#### (b) Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2004 £m	2003 £m
Profit/(loss) on ordinary activities before taxation	7.8	(15.9)
Profit/(loss) on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 30% (2003: 30%)	2.3	(4.8)
Effects of:		
Expenses not deductible for tax purposes	(1.1)	4.7
Deferred tax not provided	1.3	(0.7)
Depreciation in excess of capital allowances	1.2	-
Tax losses (utilised)/not utilised	(3.2)	1.4
Chargeable gains	0.3	-
Overseas tax rate differences	-	(0.1)
Adjustments in respect of previous periods	(0.1)	(0.3)
<b>Current tax charge for year</b>	<b>0.7</b>	<b>0.2</b>



# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### (c) Factors which may affect future tax charges

There are no factors which are likely to have a significant effect on future tax charges.

### (d) Deferred Taxation

The amounts provided and not provided in respect of the deferred tax asset are as follows:

Group	2004		2003	
	Provided £m	Not provided £m	Provided £m	Not provided £m
Excess/(shortfall) of depreciation charges over capital allowances	0.9	1.3	(1.6)	0.3
Short-term timing differences	-	1.8	-	2.0
Tax losses and other credits available	-	18.6	4.5	16.1
	0.9	21.7	2.9	18.4

Movements during the year in respect of deferred tax were as follows:

Group	Provided £m	Not provided £m
At 1 January 2004	2.9	18.4
Prior year adjustment	-	2.0
Arising during the year	(2.0)	1.3
At 31 December 2004	0.9	21.7

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 9 Intangible assets

Negative goodwill	Group £m
<b>Gross book value</b>	
At 1 January 2004	(49.5)
On acquisition of minority interest (Note 12)	(6.4)
At 31 December 2004	(55.9)
<b>Accumulated amortisation</b>	
At 1 January 2004	(14.5)
Exchange difference	(0.1)
Released during the year	(5.1)
At 31 December 2004	(19.7)
<b>Net Book Value</b>	
At 31 December 2003	(35.0)
At 31 December 2004	(36.2)

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 10 Tangible fixed assets

Group	Land and buildings £m	Plant and machinery £m	Assets under construction £m	Total £m
<b>Cost</b>				
At 1 January 2004	3.8	130.0	14.4	148.2
Capital expenditure	-	0.9	111.6	112.5
Transfers	-	19.8	(19.8)	-
Disposals and other movements	-	(0.8)	-	(0.8)
At 31 December 2004	3.8	149.9	106.2	259.9
<b>Accumulated depreciation</b>				
At 1 January 2004	0.6	30.6	-	31.2
Charge for year	0.1	17.2	-	17.3
Disposals and other movements	-	(0.8)	-	(0.8)
At 31 December 2004	0.7	47.0	-	47.7
<b>Net book value</b>				
<b>At 31 December 2003</b>	3.2	99.4	14.4	117.0
<b>At 31 December 2004</b>	3.1	102.9	106.2	212.2

Included in plant and machinery are fixed assets held under finance leases with a net book value of £0.1m (2003: £0.2m).

All the net book value of land and buildings relates to freehold properties.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 11 Fixed Asset Investments

<b>Group - Loans</b>	<b>£m</b>
<b>Cost</b>	
At 1 January 2004	53.0
Repayments	(53.0)
At 31 December 2004	-
<b>Provisions</b>	
At 1 January 2004	53.0
Repayments	(53.0)
At 31 December 2004	-
<b>Net book value</b>	
At 31 December 2003	-
At 31 December 2004	-

The loans were repaid on 16 December 2004 when the Group received Deferred shares in Screencondor Limited, INEOS Vinyls Limited and INEOS Vinyls Holdings Limited. Further details are shown in Note 28.

<b>Company – cost of shares in subsidiary undertakings</b>	<b>£</b>
At 1 January 2004	185
Addition (Note 12)	1
At 31 December 2004	186

### 12 Business combinations

On 29 July 2003, the Company acquired a 100% shareholding in INEOS Chlor Holdings Limited and consequently gained control over the global chlor-chemicals business of the INEOS Chlor Holdings Limited Group. As part of this acquisition, the Company gained an 85% interest in the shares of INEOS Chlor Enterprises Limited.

The issue of shares by the Company financed the acquisition. The existing shareholders of INEOS Chlor Holdings Limited received shares in the Company such that their interests in the acquired businesses were unchanged. This Group reconstruction has been accounted for as a merger.

As part of a wider restructuring of the Group (Note 1), on 25 October 2004 the Company acquired the remaining 15% interest in INEOS Chlor Enterprises Limited for £1. The fair value of the acquired shares of £6.4m was equal to the book value of the net assets acquired. The negative goodwill arising on acquisition was £6.4m.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

The Company's subsidiaries, all of which are included within the consolidated Group accounts are as follows:

Subsidiary undertaking	Country of registration or incorporation	Principal activity	Class/percentage of shares held
INEOS Chlor Holdings Limited	England	Holding Company	Ordinary 100%
INEOS Chlor Newco 2 Limited	England	Holding Company	Ordinary 100% (i)
INEOS Chlor Newco 1 Limited	England	Dormant	Ordinary 100% (i)
INEOS Chlor Limited	England	Chemicals manufacturing and selling	** 85% (ii)
INEOS Chlor Enterprises Limited	England	Chemicals manufacturing and selling	Ordinary 100%
INEOS Chlor Atlantik GmbH	Germany	Chemicals manufacturing and selling	Ordinary 100% (iv)
INEOS Chlor Americas Inc	United States of America	Purchase and resale of chemicals	Ordinary 85% (iii)
INEOS Chlor France SAS	France	Toll conversion of chemicals	Ordinary 100% (iv)
INEOS Chlor Sales International Limited	England	Sales office	Ordinary 85% (iii)
INEOS Chlor Asiatic Chemical Company Limited	Thailand	Chemicals manufacturing and selling	Ordinary 60% (iv)
INEOS Chlor Quimica SA	Spain	Purchase and resale of chemicals	Ordinary 85% (iii)
INEOS Chlor Trustees Limited	England	Pension Fund Trustee	Ordinary 85% (iii)
INEOS Chlor Energy Limited	England	Dormant	Ordinary 85% (iii)
INEOS Chlor UK Limited	England	Dormant	Ordinary 85% (iii)

\*\* Non-voting shares plus convertible, non-participating shares

- (i) Shares owned by INEOS Chlor Holdings Limited
- (ii) Shares owned by INEOS Chlor Newco 2 Limited
- (iii) Shares owned by INEOS Chlor Limited
- (iv) Shares owned by INEOS Chlor Enterprises Limited

INEOS Chlor France (Sales) SAS was a subsidiary company until it merged with INEOS Chlor France SAS on 29 December 2004.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 13 Stocks

	Group	
	2004 £m	2003 £m
Engineering stores	6.4	6.9
Raw materials and work in progress	4.8	3.6
Finished goods	13.3	11.3
	24.5	21.8

There is no material difference between the replacement cost of assets held for resale and their balance sheet amounts.

### 14 Debtors

	Group	
	2004 £m	2003 £m
<b>Amounts falling due within one year</b>		
Trade debtors	74.5	68.8
Corporation Tax	-	0.5
Other debtors	5.7	1.2
Prepayments and accrued income	7.1	7.5
	87.3	78.0
<b>Amounts falling due after more than one year</b>		
Pensions prepayment	0.2	0.1
Deferred tax	0.9	2.9
	1.1	3.0

### 15 Loans and other borrowings

	Group	
	2004 £m	2003 £m
Bank loan (due within one year)	20.5	26.5
Bank loan (due within 2 to 5 years)	18.6	-
8% Loan Notes 2015 (due after more than 5 years)	-	10.0
8% Loan Note (due after more than 5 years)	22.6	-
Other loans (due after more than 5 years)	4.7	80.1
	66.4	116.6
Cash at bank and in hand	(7.8)	(2.9)
<b>Net borrowings</b>	<b>58.6</b>	<b>113.7</b>

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

Loans repayable in instalments total £18.9m (2003: £0.1m). Cash at bank and in hand includes £0.9m (2003: £1.2m) in respect of guarantee deposits.

On 25 October 2004 the Company agreed a refinancing and restructuring of the Group, including the debt facilities which were in place at that date. Further details are shown in Note 1.

The Bank loan due within one year represents the amount advanced at the balance sheet date under a sales ledger financing agreement. The balance is secured by fixed and floating charges over some of the Group's UK assets. The other Bank loan is secured by fixed and floating charges over the rest of the Group's UK assets and by share pledges over some of the Company's subsidiaries.

### 16 Creditors – amounts falling due within one year

	Group	
	2004 £m	2003 £m
Obligations under finance leases	0.1	0.1
Trade creditors	53.9	40.5
Corporation tax	0.2	0.1
Other taxes and social security	5.1	3.8
Other creditors	25.6	2.9
Accruals and deferred income	28.1	21.9
	113.0	69.3

### 17 Creditors – amounts falling due after more than one year

	Group	
	2004 £m	2003 £m
Obligations under finance leases	-	0.1
Other creditors	1.7	1.7
	1.7	1.8

Future minimum payments under finance leases are as follows:

	Group	
	2004 £m	2003 £m
Within one year	0.1	0.1
Between one and two years	-	0.1
Total gross payments	0.1	0.2
Less: finance charges included above	-	-
	0.1	0.2

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 18 Provisions for liabilities and charges

Group	Retirement Benefits £m	Long Term Contracts £m	Restructuring £m	Total £m
At 1 January 2004	2.8	0.5	0.6	3.9
Charged to profit and loss account	0.3	(0.3)	0.8	0.8
Paid in the year	-	-	(1.4)	(1.4)
<b>At 31 December 2004</b>	<b>3.1</b>	<b>0.2</b>	<b>-</b>	<b>3.3</b>

The restructuring provision represented expenditure on the major reorganisation in the UK which was announced in 2001.

### 19 Deferred income

Government grants and other contributions towards the cost of tangible fixed assets	Group £m
At 1 January 2004	4.4
Cash received in the year	0.2
Released to the profit and loss account	(0.5)
<b>At 31 December 2004</b>	<b>4.1</b>

### 20 Share capital

	Authorised			
	2004 Number	2004 £	2003 Number	2003 £
Equity – Ordinary shares of 1p each	100,000	1,000	100,000	1,000

	Allotted, issued and fully paid			
	2004 Number	2004 £	2003 Number	2003 £
Equity – Ordinary shares of 1p each	10,000	100	10,000	100

On 23 March 2005 the 10,000 issued and 90,000 unissued Ordinary shares were redesignated as Preference shares of 1p each. On the same date the authorised share capital was increased to £2,920 by the creation of 32,000 Chlor Limited Tracker shares of 1p each and 160,000 Chlor Enterprises Tracker shares of 1p each.



# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 21 Reserves

	Group £m
At 1 January 2004	(14.1)
Retained profit for the year	111.9
Exchange translation effects	0.3
<b>At 31 December 2004</b>	<b>98.1</b>

### 22 Equity Minority interests

	Group £m
At 1 January 2004	5.8
Exchange difference	(0.1)
Capitalisation of loans (Note 1)	117.8
Amounts recognised in the profit and loss account	
Share of retained profit after taxation	2.1
Write down to market value (Note 1)	(108.9)
Dividends paid	(0.2)
Acquisition of shares by the Company (Note 12)	(6.4)
<b>At 31 December 2004</b>	<b>10.1</b>

At 31 December 2004 the minority equity interests represented the minority shares of 40% in INEOS Asiatic Chemical Company Limited and 15% in INEOS Chlor Limited. INEOS Chlor Limited had net liabilities at 31 December 2003 and therefore no amount was recognised in respect of the minority equity interest in this company at that date.

### 23 Net cash inflow from operating activities

	2004 £m	2003 £m
<b>Operating profit/(loss)</b>	12.0	(5.7)
Depreciation and amortisation	11.7	10.3
Exceptional items charged against operating profit	4.4	15.8
Cash outflow from exceptional items	(3.6)	(4.3)
(Increase)/decrease in stocks	(2.7)	2.7
Increase in debtors	(9.9)	(13.7)
Increase in creditors	23.3	2.3
<b>Net cash inflow from operating activities</b>	<b>35.2</b>	<b>7.4</b>

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 24 Analysis of changes in net debt

	At 1 January 2004 £m	Cash flow £m	Other non cash changes £m	At 31 December 2004 £m
Cash at bank and in hand	2.9	4.9	-	7.8
Bank loan due within one year	(26.5)	6.0	-	(20.5)
<b>Net cash</b>	<b>(23.6)</b>	<b>10.9</b>	<b>-</b>	<b>(12.7)</b>
Other bank loan	-	(18.4)	-	(18.4)
8% Loan Notes 2015	(10.0)	(5.0)	15.0	-
8% Loan Note	-	(22.6)	-	(22.6)
Other loans	(80.1)	(24.8)	100.0	(4.9)
<b>Net borrowings</b>	<b>(113.7)</b>	<b>(59.9)</b>	<b>115.0</b>	<b>(58.6)</b>
Finance leases	(0.2)	0.1	-	(0.1)
<b>Net debt</b>	<b>(113.9)</b>	<b>(59.8)</b>	<b>115.0</b>	<b>(58.7)</b>

The Bank loan due within one year is included in net cash because in practice this facility operates in a similar way to a bank overdraft.

The Other non cash changes relate to interest accruals and the capitalisation of the outstanding ICI Industrial Investments Limited indebtedness as 25 October 2004 (Note 1).

### 25 Reconciliation of net cash flow to movement in net debt

	2004 £m	2003 £m
Increase/(decrease) in cash in year	10.9	(17.9)
Net movement in borrowings	(70.8)	(10.1)
Finance leases	0.1	0.2
Change in net debt resulting from cash flow	(59.8)	(27.8)
Other non-cash changes	115.0	48.2
<b>Decrease in net debt in the year</b>	<b>55.2</b>	<b>20.4</b>

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 26 Commitments and contingent liabilities

#### a) Annual operating lease commitments

Group	Property		Other	
	2004 £m	2003 £m	2004 £m	2003 £m
Leases which expire:				
Within one year	-	0.1	0.8	0.9
Between one and two years	0.2	-	0.2	0.5
Between two and five years	0.1	0.3	0.1	0.1
After five years	-	-	-	0.1
	0.3	0.4	1.1	1.6

#### b) Capital commitments

Commitments for capital expenditure not provided for in these accounts are as follows:

	Group	
	2004 £m	2003 £m
Contracts placed for future expenditure	54.3	0.3
Expenditure authorised but not yet contracted	128.8	6.3
	183.1	6.6

#### c) Unconditional purchase obligations and contingent liabilities

As part of the acquisition of businesses from ICI Chemicals & Polymers Limited in 2001, the Group inherited a number of contracts entered into by the previous owner in the normal course of business. Not all of these contracts were novated formally by 31 December 2004. The disclosures below assume that any outstanding contract novations will be completed in due course without significant changes to the financial implications.

The net present values of significant take or pay contracts which have been entered into are as follows:

	Group	
	2004 £m	2003 £m
Purchase of electric power, until 2016	5.0	5.3
Purchase of electric power, until 2013	154.5	163.6
Facility charges for the production of oxygen, nitrogen and compressed air, until 2009	9.9	9.7
Facility charges for the production of vinyl chloride monomer, until 2008 (*)	11.4	13.9
Purchase of nitrogen, until 2013 (*)	2.2	2.4
	183.0	194.9

(\*) This contract is with EVC International NV group, a related party.

Other guarantees and contingencies arising in the ordinary course of business, for which no security has been given, are not expected to result in any material financial loss.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### 27 Retirement benefits

#### (a) UK Group – Disclosures in respect of Statement of Standard Accounting Practice 24

The majority of the UK employees participate in the INEOS Chlor Pension Fund ("The Fund"). The Fund is administered by a group of trustees with assets being held separately from the Group. Members receive defined benefit pensions which are based on their length of service and average final remuneration with the Group. Contributions are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the Group. The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method. The last valuation was carried out as at 31 December 2001 and the net pension cost has been based on an interest rate of 6.8% pa, future salary increases of 4% pa and price inflation of 2.5% pa.

Pension cost for the year	2004 £m	2003 £m
Regular pension cost	6.1	6.4
Variations from regular cost	(0.8)	(0.9)
Early retirement cost	0.1	0.4
Net pension cost	5.4	5.9

During the year the Group paid normal contributions to the fund of £5.4m, at a rate of 13.4% of pensionable earnings (2003: £5.4m, at 13.4%).

Capital costs of unfunded retirement benefits (URB) for employees retiring before normal retiring age are paid to the Fund by the Company in addition to the above contributions. During the year the cost to the Group of providing these benefits was £0.1m (2003: £0.4m).

The first actuarial valuation of the fund took place as at 31 December 2001. The results of this review and the assumptions used are as set out below:

	31 December 2001
Market value of scheme assets	£105.2m
Level of funding *	102%
Weighted average discount rate	6.4% pa
Long-term rate of return on assets	4.0% pa
Weighted average rate of increase in future earnings	2.5% pa

\* The assessed value of assets expressed as a percentage of the accrued service liabilities.

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

### (b) UK Group – Additional disclosures in respect of Financial Reporting Standard 17

The financial assumptions used to calculate scheme liabilities under FRS 17 are:

	2004 % pa	2003 % pa	2002 % pa
Price inflation	2.7	2.6	2.25
Discount rate for scheme liabilities	5.4	5.6	5.6
Rate of increases in salaries	4.2	4.1	3.75
Rate of increase of pensions in payment	2.7	2.6	2.25
Rate of increase for deferred pensioners	2.7	2.6	2.25

The assets in the scheme and the expected rates of return were:

	31 December 2004		31 December 2003		31 December 2002	
	Expected rate of return % pa	Fair Value £m	Expected rate of return % pa	Fair Value £m	Expected rate of return % pa	Fair Value £m
Equities	8.0	115.1	8.0	98.0	8.0	65.4
Bonds	5.0	8.1	5.0	14.5	5.0	14.6
Other	3.5	8.8	3.5	3.7	5.0	12.7
Total fair value of assets	7.5	132.0	7.5	116.2	7.1	92.7
Actuarial value of scheme liabilities		(194.6)		(162.2)		(135.2)
Deficit in the scheme		(62.6)		(46.0)		(42.5)
Related deferred tax asset		-		-		-
Net pension liability		(62.6)		(46.0)		(42.5)

If the above amounts had been recognised in the financial statements, the Group's net assets and profit and loss reserve at 31 December 2003 and 31 December 2004 would be as follows:

Net assets/(liabilities)	2004 £m	2003 £m
Excluding pension liability under FRS 17	108.2	(8.3)
Net SSAP 24 adjustment	1.9	1.8
Pension liability under FRS 17	(62.6)	(46.0)
Including pension liability under FRS 17	47.5	(52.5)

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

<b>Profit and loss reserve</b>	<b>2004 £m</b>	<b>2003 £m</b>
Excluding pension liability under FRS 17	98.1	(14.1)
Net SSAP 24 adjustment	1.9	1.8
Pension liability under FRS 17	(62.6)	(46.0)
Including pension liability under FRS 17	37.4	(58.3)
<b>Analysis of the amount charged to operating profit</b>	<b>2004 £m</b>	<b>2003 £m</b>
Current service cost	9.0	8.6
Past service costs	0.1	0.4
Total operating charge	9.1	9.0
<b>Analysis of the amount charged to other finance costs</b>	<b>2004 £m</b>	<b>2003 £m</b>
Expected return on pension scheme assets	8.9	6.8
Interest on pension scheme liabilities	(9.0)	(7.6)
Net return	(0.1)	(0.8)
<b>Analysis of amounts recognised in the statement of total recognised gains and losses</b>	<b>2004 £m</b>	<b>2003 £m</b>
Actual return less expected return on pension fund assets	1.2	10.9
Experience gains arising on fund liabilities	0.7	6.0
Changes in assumptions underlying the present value of the fund liabilities	(14.7)	(16.0)
Actuarial (loss)/gain recognised in the statement of total recognised gains and losses	(12.8)	0.9
<b>Movement in deficit during the year</b>	<b>2004 £m</b>	<b>2003 £m</b>
Deficit in the fund at beginning of year	(46.0)	(42.5)
Contributions paid	5.4	5.4
Current service cost	(9.0)	(8.6)
Past service cost	(0.1)	(0.4)
Other finance costs	(0.1)	(0.8)
Actuarial (loss)/gain	(12.8)	0.9
Deficit in the fund at end of year, before allowance for deferred tax	(62.6)	(46.0)

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

History of experience gains and losses	2004	2003	2002
Difference between the actual and expected return on fund assets			
Amount	£1.2m	£10.9m	£(25.4)m
% of fund assets at end of year	0.9%	9.4%	(27.7)%
Experience gains on fund liabilities			
Amount	£0.7m	£6.0m	£0.4m
% of fund liabilities at end of year	0.4%	3.7%	0.3%
Total actuarial (loss)/gain recognised in the statement of total recognised gains and losses			
Amount	£(12.8)m	£0.9m	£(25.1)m
% of fund liabilities at end of year	(6.6)%	0.1%	(18.6)%

### (c) Other Group companies

In addition to the Company scheme, certain other Group Companies also participate in local, unfunded pension schemes. The pension cost charged to the profit and loss account for the year was £0.5m (2003: £0.5m) in respect of these schemes.

## 28 Related party transactions

Transactions between Companies in the INEOS Chlor Group Limited Group are not disclosed as the Company has taken advantage of the exemption available under Financial Reporting Standard 8.

Prior to 25 October 2004 Imperial Chemical Industries PLC was the ultimate owner of a minority shareholding in INEOS Chlor Limited.

The owners of INEOS Chlor Group Limited have a controlling interest in INEOS Vinyls Holdings Limited. INEOS Vinyls Holdings Limited has a controlling interest in INEOS Vinyls Limited and EVC International NV.

The Company is related to INEOS Group Limited, INEOS Capital Partners, Screencondor Limited, INEOS Capital Limited and Hawkslease Finance Company Limited by virtue of common control.

Mr A Verrijckt is a Director of INEOS Chlor Limited.

Material trading transactions with related parties during the year were as follows:

Related party	Sales	Purchases	Balance owed to/(by) the Group at 31 December £m
Imperial Chemical Industries PLC and its subsidiaries	Industrial chemicals and site services – £4.4m (2003: £3.7m)	Industrial chemicals and site services – £0.1m (2003: £0.3m)	2004: (0.1) 2003: Nil
EVC International NV and its subsidiaries	Industrial chemicals and site services – £71.9m (2003: £40.1m)	Industrial chemicals and site services – £16.3m (2003: £14.2m)	2004: 6.1 2003: 2.8
INEOS Group Limited and its subsidiaries	Industrial chemicals and site services – £27.9m (2003: £22.8m)	Industrial chemicals – £2.7m (2003: £3.9m)	2004: 1.5 2003: 3.6

# INEOS Chlor Group Limited

## Notes to the accounts (continued)

Other material transactions with related parties during the year were:

Related party	Transaction	Balance owed to/(by) the Group at 31 December £m
Imperial Chemical Industries PLC and its subsidiaries	2004: Loans received by the Group - £25.0m (2003: £10.0m)  2004: Issue of deferred shares by INEOS Chlor Limited and INEOS Chlor Newco 2 Limited, capitalising the outstanding total of loans payable plus accrued interest (Note 1)  2003: Restatement of 8% Loan Note plus accrued interest into 8% Loan Notes 2015 and Zero Coupon Loan Notes	2004: Nil 2003: (90.0)
INEOS Group Limited and its subsidiaries	2004: Loans received by the Group - £22.6m (2003: £nil)	2004: (22.6) 2003: Nil
INEOS Vinyls Holdings Limited group	2003: Provision for permanent diminution in the value of amounts receivable - £10.0m	2004: Nil 2003: 45.5* * = before provision
INEOS Capital Partners	2004: Management services provided to the Group - £0.5m (2003: £1.5m)	2004: Nil 2003: 0.6
INEOS Capital Limited	2004: Loans received by the Group - £4.6m (2003: £nil)  2004: Sale of building - £0.8m	2004: (4.6) 2003: Nil
Screencondor Limited	2004: Funding of administrative expenses - £0.1m (2003: £nil)  2003: Provision for permanent diminution in the value of amounts receivable - £3.5m	2004: 0.2 2003: 7.5* * = before provision

The balances receivable from Screencondor Limited and INEOS Vinyls Holdings group were fully provided at 31 December 2003.

On 16 December 2004 the Group received the following Deferred shares of £1 each:

1,000 shares in Screencondor Limited credited as fully paid at par by capitalisation of £7.3m of the loan balance owed by Screencondor Limited to the Group at that date. The Group sold these shares to Mr J Ratcliffe on the same day.

1,000 shares in INEOS Capital Limited credited as fully paid at par by capitalisation of the outstanding loan balance owed to the Group at that date. On the same day the Group sold 496 of the shares to Mr J Ratcliffe and a further 168 shares to each of Mr J Reece, Mr AC Currie and Mr A Verrijckt.

1,000 shares in INEOS Vinyls Limited credited as fully paid at par by capitalisation of the outstanding loan balance owed to the Group at that date. On the same day these shares were sold to INEOS Vinyls Holdings Limited.

1,000 shares in INEOS Vinyls Holdings Limited credited as fully paid at par by capitalisation of the outstanding loan balance owed to the Group at that date. On the same day these shares were sold to Hawkslease Finance Company Limited.



# **INEOS Chlor Group Limited**

## **Notes to the accounts (continued)**

### **29 Ultimate Controlling Party**

The Directors regard Mr JA Ratcliffe to be the ultimate controlling party as he has the largest single shareholding in the Company.