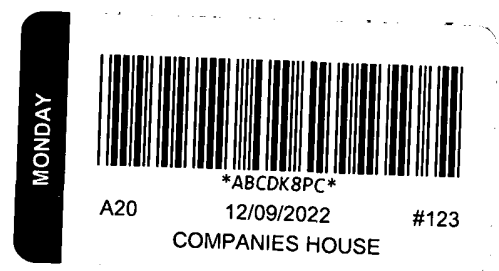


INEOS Runcorn (TPS) Holdings Limited

**Annual report and consolidated
financial statements**

Registered number 06574947

31 December 2021



Contents

	Page
Strategic report for the year ended 31 December 2021	1
Directors' report for the year ended 31 December 2021	6
Independent auditor's report to the members of INEOS Runcorn (TPS) Holdings Limited	9
Consolidated income statement for the year ended 31 December 2021	12
Consolidated balance sheet as at 31 December 2021	13
Consolidated statement of changes in equity for the year ended 31 December 2021	14
Consolidated cash flow statement for the year ended 31 December 2021	15
Accounting policies	16
Notes to the consolidated financial statements for the year ended 31 December 2021	20
Company balance sheet as at 31 December 2021	27
Company statement of changes in equity for the year ended 31 December 2021	27
Notes to the company financial statements for the year ended 31 December 2021	28

Strategic report for the year ended 31 December 2021

The Directors present their Strategic report of INEOS Runcorn (TPS) Holdings Limited (the "Company") and its wholly owned subsidiary, INEOS Runcorn (TPS) Limited (together referred as the "Group") for the year ended 31 December 2021.

Review of the business

INEOS Runcorn (TPS) Holdings Limited is the holding company for INEOS Runcorn (TPS) Limited. The company has no other activities.

The Group's main activity is to design, build, finance and operate a combined heat and power energy from waste plant ("EfW plant"), under a 25 year contract with the Greater Manchester Combined Authority. The Group has no other activities.

Turnover represents sales revenue for waste processed and energy exported. Cost of sales represents process chemicals, variable operations costs and depreciation.

Results and performance

The results of the Group, as set out on page 12, show a loss before tax of £1.561 million (2020: profit £2.375 million). The shareholders' funds, as set out on page 13, of the Group totalled £74.949 million (2020: £79.138 million).

Turnover increased from £38.997 million in 2020 to £40.883 million in 2021, an increase of 4.8%. The higher turnover is commensurate with previous years taking into account a reduction in the availability fee due from GMCA in 2020. The EBITDA (earnings before interest, tax, depreciation and amortisation) for the current year is £15.000 million (2020: £20.647 million). The reduction is as a result of the planned rescheduling of maintenance spend from the previous year, reducing operating profit to a lower value than that of the interest charge for the year, resulting in a loss before taxation. A reconciliation from (loss)/profit before tax to EBITDA can be found in note 2.

The Group operated for the entire year without a single reportable injury or reportable environmental incident as was the case in the preceding year.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks affecting the Group are set out below:

- Regulation – the Group is highly regulated and may have substantial obligations and liabilities arising from health, safety, security and environmental ("HSSE") laws, regulations and permits applicable to our operations.
- Inability to maximize utilization of assets — the Group may be adversely affected if it is unable to implement its strategy to maximize utilization of assets.
- Cyber security — a cyber incident could occur and result in information theft, data corruption, operational disruption and/or financial loss.
- Climate change – existing and proposed regulations to address climate change by limiting greenhouse gas emissions may cause us to incur significant additional operating and capital expenses.
- Outbreaks of disease — the outbreak of contagious diseases may have a negative impact on the Group's business and performance, and an adverse impact on the global economy generally. During the course of 2021 and into 2022, the Group has managed the outbreak of the COVID-19 coronavirus by implementing various measures to ensure the ongoing operation of the plants.

Strategic report for the year ended 31 December 2021 (continued)

Key performance indicators

The Group uses a number of financial and non-financial key performance indicators ("KPIs") to measure performance, which are monitored against budget and the prior year

	2021	2020
Reportable injuries and environmental incidents	0	0
Waste processed (kT)	461.01	479.92
EBITDA £m	15.0	20.6

Waste processed lower in the year as result of the outages due to the additional planned maintenance.

Section 172(1) statement

The directors have the duty under section 172 to promote the success of the Group for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on communities, suppliers, customers, investors and the environment. In the performance of its duty to promote the success of the Group and fairness in decision making the Board have regard (amongst other matters) for:

- a) the likely consequences of any decision in the long term;
- b) the need to foster the Group's business relationships with suppliers, customers and others;
- c) the impact of the Group's operations on the community and the environment;
- d) the desirability of the Group maintaining a reputation for high standards of business conduct; and
- e) the need to act fairly as between members of the Group.

The Group'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 Group's long-term success, which are discussed below.

Long term factors (a)

The Group's principal objectives are to maintain its position as a key operating asset of its shareholders by generating strong, sustainable, and growing cash flows. To achieve these objectives, the Group has the following key strategies:

- a. Maintain health, safety, security, and environmental excellence;
- b. Maintain and grow the Group's leadership positions to enhance competitiveness;
- c. Reduce costs and realise synergies;
- d. Maximise utilisation of assets;
- e. Access energy opportunities; and
- f. Develop and implement a sustainable business.

The Group aims to operate and develop its business in a way that supports both the current and future needs, taking into account relevant economic, environmental, and social factors. This enables the Group to sustain the business for the long term. The directors strongly believe that sustainable business management and practices will contribute to long-term business success and will strengthen the Group's position in a circular world. The directors ensure that the Group has sufficient resources to support its long-term strategy. An important element is the Group's long-term cash and operational planning in relation to the capital requirements needed to grow and to extend the life span of the assets. The directors consider available and required funds as a basis for any dividend under its distribution policy.

Stakeholder considerations (b – e)

Engaging stakeholders and developing meaningful partnerships is essential for long-term business success. The Group engages in regular, open, and proactive dialogue with all relevant stakeholders as this is needed to understand their perspectives, expectations, concerns and needs. In this way, the Group is able to integrate stakeholder's considerations into business decision-making processes. Dialogue with stakeholders gives the Group the opportunity to explain its clear and committed approach to sustainability as well as the value of the Group's work, products and services for society.

Strategic report for the year ended 31 December 2021 (continued)

Section 172(1) statement (continued)

Key stakeholders contribute to the Group's economic, social, and environmental performance. Stakeholders include customers, suppliers, investors, financial experts and rating agencies, local communities, industry associations, NGOs, scientific institutions, universities, government, and value chain partners. The Group is very conscious of changing attitudes to climate change, and monitors its impact on the environment, including emissions arising from operation of its assets, use of power and feedstocks and the potential impacts of climate change on its business, whether arising from regulatory change, changing weather patterns or other factors. These matters are considered by the directors in making decisions and in assessing the long-term viability of the business.

The Group is committed to maintaining a workplace that is safe, professional, and supportive of teamwork and trust. The Group is committed to creating and sustaining a work environment of mutual trust where all stakeholders are treated with respect and dignity, compensated fairly based on local market conditions, and are entitled to adequate working hours.

The Group is committed to protecting and maintaining the quality of the environment and to promoting the health and safety of its contractors, suppliers, customers, visitors, and the communities in which it operates. Compliance with all legislation intended to protect people, property and the environment is one of the Group's fundamental priorities and applies to its products as well as to its processes. Management lead by example and allocate the required resources to achieve excellence in SHE performance.

The need to act fairly between members of the Group (f)

The Group has shareholders who share control, the board of directors is made up of representatives of each shareholder. The interests of the shareholders are taken into account by the directors to promote fairness in decision making.

Principal decisions

There were no principal decisions that management took in the year ending 31 December 2021.

Streamlined Energy and Carbon Reporting ("SECR")

The Group is classified as a large unquoted company due to its size and shareholding structure.

The Group owns, operates and maintains a combined heat and power energy from waste plant ("EfW plant") based in the United Kingdom. The purpose of the EfW plant is to generate energy from the processing of residual waste (known as solid recovered fuel, or "SRF"). Energy is exported from the facility to INOVYN ChlorVinyls Limited's (a related party) nearby chemical manufacturing site.

The Group aims to maximise the amount of SRF that is processed (within planning and environmental permitting limits), and to optimise the energy conversion efficiency of the facility. Approximately half of the SRF received is composed of biomass material.

Natural gas is used for auxiliary firing of the boilers during start-up and shut-down. Diesel fuel is used for routine testing of the emergency diesel generators, and for the shuttle trucks that transport containers between the railhead and the tipping hall.

The Group has no employees and has no direct responsibility for any business travel.

This SECR report covers the reporting period from 1 January 2021 and 31 December 2021.

Strategic report for the year ended 31 December 2021 (continued)

Streamlined Energy and Carbon Reporting ("SECR") (continued)

Energy and emissions data

	Units	2021	2020	2019
Gross energy consumptions				
Scope 1 energy consumption used to report emissions (solid recovered fuel, natural gas and diesel fuel)	kWh	1,570,541,827	1,601,213,489	1,565,039,755
Scope 2 energy consumption used to report emissions (imported electricity)	kWh	3,978,187	2,918,773	676,436
Emissions				
Scope 1 emissions from combustion of fossil fuels	tonnes CO ₂ e	214,038	238,705	251,533
Scope 2 emissions from purchased electricity	tonnes CO ₂ e	845	680	173
Intensity ratios				
Fossil-related emissions per tonne of SRF processed	tonnes CO ₂ e per tonne SRF	0.47	0.50	0.56

Calculation methodology

The methodologies used in the collation and reporting of the above information are consistent with those used with the Office of Gas and Electricity Markets ("Ofgem") and the Combined Heat and Power Quality Assurance programme ("CHPQA") (for applications for Renewable Obligation Certificates and good quality CHP assessment respectively).

Scope 1 energy consumption in 2021 represented more than 99% of the total energy consumption, as in previous years.

The solid recovered fuel accounted for more than 99% of the scope 1 energy consumption: This was also consistent with the previous periods.

The total energy content of SRF processed was similar to 2019 but lower than in 2020 – this was because the planned outage period in 2021 was similar to 2019 but longer than in 2020.

The scope 1 emissions were lower in 2021 than in 2020 due to the higher biomass energy content (and hence lower fossil-derived energy content).

Energy efficiency

The Group has no direct control over the biomass content of the SRF received, but does review this value with the SRF suppliers monthly, and any significant changes are investigated and mitigated where possible.

The operator of the EfW facility is accredited to ISO 14001:2015 and, together with the Group, actively reviews opportunities for improving energy efficiency. The primary measures taken to improve energy during the reporting period were:

- Increased steam export to the consumer (this increases the total useful energy export due to the reduced conversion losses to generate electricity); and
- Identification of steam losses to maximise the amount of steam that feeds into the steam turbine – this work will continue into 2022.

In addition to the above, the following studies are in progress:

- Optimisation of energy consumption of significant items of equipment (including cooling tower fans, the induced draft fans, the compressed air system and the deaerator);
- Rolling replacement of fluorescent light fittings with LED equivalents.

Strategic report for the year ended 31 December 2021 (continued)

Strategic future developments

The Group operates under long term (25 years to 2034) contracts and anticipates the successful completion of these contracts in due course.

Approved by the board and signed on its behalf

Julie Taylorson Digitally signed by Julie
Taylorson
Date: 2022.09.06 16:48:35 +01'00'

JD Taylorson
Director
6th September 2022

Directors' report for the year ended 31 December 2021

The Directors present their report together with the consolidated financial statements and auditor's report of INEOS Runcorn (TPS) Holdings Limited (the "Group") and the financial statements of the Company for the year ended 31 December 2021.

Results for the year

The results of the Group are set out in the consolidated statement of comprehensive income on page 12 which shows a loss before tax of £1.561 million (2020: profit £2.375 million). Refer to results and performance on page 1.

Dividends

The Directors do not recommend the payment of a dividend (2020: £nil).

Covid-19

The Group continues to implement contingency plans for the COVID-19 pandemic, with the primary objective of maintaining the safety of personnel and the reliable operation of the Group's plant.

The facility has continued to operate having maintained sufficient resources and having implemented measures to ensure that this remains the case throughout the pandemic, including social distancing and hygiene measures. Any safety critical activity was formally risk assessed to take cognisance of additional controls necessary to protect core personnel from COVID-19, hence safeguarding safety critical work at all times.

Whilst there is still uncertainty due to the COVID-19 pandemic the Directors have undertaken a rigorous assessment of the potential impact of COVID-19 on demand for the Group's products and services and the impact on margins for the next 12 months.

Going concern

The Group financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

The Group held cash balances of £8.649 million at 31 December 2021 (2020: £22.749 million). The directors have considered the Group's projected future cash flows and working capital requirements and are confident that the Group has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements.

On the basis of this assessment together with net assets of £74.949 million as at 31 December 2021 (2020: £79.138 million) the Directors have concluded that the Group can operate within its current facilities for a period of at least 12 months from the date of this report. Therefore, these financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Future developments

Refer to the Strategic report on page 5.

Subsequent events

The Group does not have operations in Belarus, Russia or Ukraine. The Group is not currently experiencing any material disruption to its operations and does not foresee any direct impact as a result of the conflict, but will continue to monitor the evolving situation closely. The conflict has led to a significant increase in energy prices; however the amounts purchased were not material to the Group. Therefore the Group is not expecting any material indirect impact on its operations or performance as a result of the conflict, but is monitoring this closely.

Donations

The Group made no political donations in the year (2020: £nil).

Financial risks

The Group has taken steps to minimise financial risks, commensurate with the nature of its business and its structure. Price risk is managed by long term supply (input of fuel) and sales (output - sales of energy) contracts. Credit risk is managed by a set of policies for ongoing credit checks on potential and current customers or counterparties.

Directors' report for the year ended 31 December 2021 (continued)

Directors

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

JD Taylorson

MJ Maher (alternate for JD Taylorson, resigned 1 March 2021)

D J Horrocks (alternate for JD Taylorson, appointed 1 March 2021)

W Bleukx

F Rourke (resigned 23 July 2021)

GP Rowland (resigned 25 March 2022)

D Howson (alternate for PG Dorel & R Belfield, appointed 25 March 2022)

RJ Pennells (resigned 8 June 2021)

PG Dorel (alternate for GP Rowland and RJ Pennells, resigned 8 June 2021)

PG Dorel (appointed 8 June 2021)

PAT Davies (alternate for GP Rowland & PG Dorel, appointed 8 June 2021, resigned 25 March 2022)

NM Bouckley (appointed 23 July 2021)

R Belfield (appointed 25 March 2022)

Directors' indemnities

As permitted by the Articles of Association, the Group, via policies held by the shareholding companies 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 indemnities were in force throughout the last financial year and are currently in force.

Employees

The Group had no employees during the year or the previous year.

Engagement with suppliers, customers and others

Details of the Directors' approach to fostering the Group's business relationships with suppliers, customers and others can be found within the Strategic Report.

Health and safety

The Group continually strives to meet, and where possible, exceed strict health, safety and environmental performance targets. It is committed to continuous improvement in all aspects of its operations. Through its Safety, Health, Environment Quality ("SHEQ") Policy, the Group aims to be amongst the industry leaders in health, safety and environmental protection, ensuring our outputs meet society's increasing environmental requirements. Specifically, the Group works to two guiding principles. The first being to protect the health and safety of its operators; the communities in which it operates; and the users of its outputs. Secondly, the Group seeks to minimise the effects on the environment from its operations.

Corporate social responsibility

The Group operates in full accordance with all prevailing laws and regulations in each jurisdiction of operation. The Group's Executive Committees and business management teams have access to a comprehensive range of legal advice to ensure that they are kept abreast and remain compliant with such issues.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the consolidated 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the Group for that period.

Directors' report for the year ended 31 December 2021 (continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

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;
- state whether applicable United Kingdom 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

Deloitte LLP have expressed their willingness to continue in office as auditor pursuant to Section 487 of the Companies Act 2006. As a consequence of the Group having passed a written shareholder resolution, there is no requirement to reappoint Deloitte LLP as auditors of the Group on an annual basis.

Registered address

INEOS Runcorn (TPS) Limited
Banks Lane Office
Banks Lane
PO Box 9
Runcorn
Cheshire
WA7 4JE
United Kingdom

Approved by the board and signed on its behalf

Julie Taylorson Digitally signed by Julie Taylorson
Date: 2022.09.06 16:49:28 +01'00'

JD Taylorson
Director
6th September 2022

Independent auditor's report to the members of INEOS Runcorn (TPS) Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of INEOS Runcorn (TPS) Holdings Limited (the 'parent company') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2021 and of the Group's loss 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 consolidated income statement;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the statement of accounting policies;
- the related consolidated notes 1 to 19; and
- the related parent company notes 1 to 2.

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 Group and the parent 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Independent auditor's report to the members of INEOS Runcorn (TPS) Holdings Limited (continued)

Other information (continued)

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

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 Group's and the parent 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 Group or the parent 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and

do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Independent auditor's report to the members of INEOS Runcorn (TPS) Holdings Limited (continued)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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 Group and of the parent company and their 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

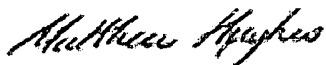
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

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.



Matthew Hughes BSC(Hons) ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom

7 September 2022

Consolidated income statement for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Turnover	1	40,883	38,997
Cost of sales		(16,037)	(15,684)
Gross profit		24,846	23,313
Administrative expenses		(19,424)	(12,402)
Operating profit	2	5,422	10,911
Interest payable and similar expenses	5	(6,983)	(8,536)
(Loss) / Profit before taxation		(1,561)	2,375
Tax on (loss)/profit	6	(2,628)	4,003
(Loss) / Profit for the financial year		(4,189)	6,378
Total comprehensive (expense) / income attributable to:			
Shareholders of the company		(4,189)	6,378

All activities of the Group relate to continuing operations.

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

Consolidated balance sheet as at 31 December 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Property, plant and equipment	7	117,334	126,912
		117,334	126,912
Current assets			
Stock	8	3,052	2,912
Debtors – amounts falling due within one year	9	9,133	6,750
Cash and cash equivalents	10	8,649	22,749
		20,834	32,411
Creditors: amounts falling due within one year	11	(7,044)	(9,165)
Net Current Assets		13,790	23,246
Total Assets less Current Liabilities		131,124	150,158
Creditors: amounts falling due after more than one year	12	(56,175)	(71,020)
Net Assets		74,949	79,138
Capital and reserves			
Share capital	15	250	250
Retained earnings	15	74,699	78,888
Shareholders' funds		74,949	79,138

These financial statements on pages 12 to 26 were approved by the board of directors on 6th September 2022 and were signed on its behalf by:

Julie Taylorson Digitally signed by Julie Taylorson
Date: 2022.09.06 16:50:06 +01'00'

JD Taylorson
Director

Company registered number: 06574947

Consolidated statement of changes in equity for the year ended 31 December 2021

	Share capital £'000	Retained earnings £'000	Shareholders' funds £'000
Balance at 1 January 2020	250	72,510	72,760
Total comprehensive income for the year			
Profit for the financial year and total comprehensive income	-	6,378	6,378
Balance at 31 December 2020	250	78,888	79,138
Total comprehensive expense for the year			
Loss for the financial year and total comprehensive expense	-	(4,189)	(4,189)
Balance at 31 December 2021	250	74,699	74,949

Consolidated cash flow statement for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Cash flow from operating activities			
Operating profit for the financial year		5,422	10,911
<i>Adjustments for:</i>			
Depreciation	7	9,578	9,736
Increase in inventories	8	(140)	(895)
Increase in trade and other debtors	9	(2,383)	(35)
Decrease in trade and other creditors		(1,414)	(660)
Tax		(72)	2,082
Net cash generated from operating activities		10,991	21,139
Cash flow from investing activities			
Purchase of Property, plant & equipment	7	-	(108)
Net cash used in investing activities		-	(108)
Cash flow from financing activities			
Loan and interest paid		(25,000)	(15,154)
Other interest paid		(91)	-
Net cash used in financing activities		(25,091)	(15,154)
Net (decrease)/increase in cash and cash equivalents		(14,100)	5,877
Cash and cash equivalents at 1 January		22,749	16,872
Cash and cash equivalents at 31 December		8,649	22,749

Accounting Policies

General information

INEOS Runcorn (TPS) Holdings Limited (the “Company”) is a private company, incorporated under the Companies Act 2006 in the United Kingdom, registered in England and Wales and limited by shares. These consolidated financial statements comprise the Company and its wholly owned subsidiary, INEOS Runcorn (TPS) Limited (together referred to as the ‘Group’). The address of the Group’s registered office is shown on page 8.

Statement of compliance and accounting policies

These financial statements were prepared in accordance with the Companies Act 2006 and the Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 19. The functional currency of the Group is considered to be sterling because that is the currency of the primary economic environment in which the Group operates.

Measurement convention

The financial statements are prepared on the historical cost basis modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The Group has applied the amendments to FRS 102 issued by the FRC in December 2017 with effect from 1 January 2020.

Covid-19

The Group continues to implement contingency plans for the COVID-19 pandemic, with the primary objective of maintaining the safety of personnel and the reliable operation of the Group’s plant.

The facility has continued to operate having maintained sufficient resources and having implemented measures to ensure that this remains the case throughout the pandemic, including social distancing and hygiene measures. Any safety critical activity was formally risk assessed to take cognisance of additional controls necessary to protect core personnel from COVID-19, hence safeguarding safety critical work at all times.

Whilst there is still uncertainty due to the COVID-19 pandemic the Directors have undertaken a rigorous assessment of the potential impact of COVID-19 on demand for the Group’s products and services and the impact on margins for the next 12 months.

Going concern

The Group financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law).

The Group held cash balances of £8.649 million at 31 December 2021 (2020: £22.749 million). The directors have considered the Group’s projected future cash flows and working capital requirements and are confident that the company has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements.

On the basis of this assessment together with net assets of £74.949 million as at 31 December 2021 (2020: £79.138 million) the Directors have concluded that the Group can operate within its current facilities for a period of at least 12 months from the date of this report. Therefore, these financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Accounting Policies (continued)

Classification of financial instruments issued by the Group

In accordance with FRS 102.22, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- (b) where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Group's own shares, the amounts presented in these financial statements for called up share capital and share premium account excludes amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

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

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Property, plant and equipment

During the initial build and commissioning phases, all costs directly attributable to the construction of plant and equipment are capitalised as part of the cost of assets under construction, as incurred. The total value of assets under construction is transferred to plant and machinery, fixtures and fittings upon completion, from which time depreciation is charged. All further spend on plant and equipment are capitalised as plant and machinery, fixtures and fittings and depreciated with immediate effect.

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The Group assesses at each reporting date whether property, plant and equipment are impaired.

Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

- plant and machinery, fixtures and fittings – until end of the original PFI contract in 2034.

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

Accounting Policies (continued)

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through the consolidated statement of comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Group would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the consolidated statement of comprehensive income.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the consolidated statement of comprehensive income.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated to the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Turnover

Turnover represents the invoiced value of fees for waste processing and for the sale of energy, net of sales' discounts, value added taxes and duties. Turnover is recognised when the significant risks and rewards of ownership have passed to the customer and it can be reliably measured. The pricing for products sold is determined by long term supply contracts. Turnover arising from sales is recognised when the waste has been processed or energy exported, depending on the relevant contract terms and the point at which risk and rewards have been transferred to the customer when the prices are determinable.

Expenses

Interest payable and Interest receivable

Interest payable and similar charges include interest payable recognised in the consolidated statement of comprehensive income using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset are expensed as incurred.

Other interest receivable and similar income includes interest receivable on cash held.

Interest income and interest payable are recognised in the consolidated statement of comprehensive income as they accrue, using the effective interest method.

Accounting Policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to the sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period.

Notes to the consolidated financial statements for the year ended 31 December 2021

1 Turnover

The Group's activities consist of the UK processing of waste for conversion into energy. All of the Group's turnover originates from and remains within the United Kingdom.

Analysis of turnover by category

	2021 £'000	2020 £'000
Processing of waste	25,976	24,623
Sale of energy	14,907	14,734
	40,883	38,997

2 Operating profit

	2021 £'000	2020 £'000
Included in operating profit are the following:		
Auditor's remuneration*	27	25
Rentals payable under operating leases		
Land	361	354
Depreciation	9,578	9,736

* No non-audit services have been provided to the Group (2020: £nil).

	2021 £'000	2020 £'000
(Loss)/profit for the financial year	(4,189)	6,378
Depreciation	9,578	9,736
Interest payable	6,983	8,536
Tax	2,628	(4,003)
EBITDA	15,000	20,647

3 Staff numbers and costs

The Group had no employees, other than directors, during the year or the previous year.

4 Directors' remuneration

None of the directors received any emoluments in respect of services to the Group (2020: £nil)

5 Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest payable on loans from fellow Group undertakings	6,983	8,536
	6,983	8,536

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

6 Tax

Recognised in the consolidated income statement

	2021 £'000	2020 £'000
Current tax on profit :		
UK corporation tax	-	178
Adjustments in respect of prior years	(106)	(6,158)
Total current tax	(106)	(5,980)
Deferred tax:		
Origination and reversal of timing differences	477	1,021
Adjustments in respect of prior years	2,257	956
Total deferred tax	2,734	1,977
Tax charge/(credit)	2,628	(4,003)

Reconciliation of tax charge / (credit)

	2021 £'000	2020 £'000
(Loss)/profit before taxation	(1,561)	2,375
(Loss)/profit before taxation multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	(297)	451
Effects of:		
Expenses not deductible for tax purposes	774	748
Increase in tax rate	2,020	520
Adjustments in respect of prior years	131	(5,722)
Total tax charge / (credit)	2,628	(4,003)

Factors affecting future tax charges

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. The charge to corporation tax and the main rate was also set at 19% for the financial year beginning 1 April 2021. On 11 March 2021, the Finance Bill 2021 was announced which increased the rate of Corporation Tax to 25% on profits over £250,000 from 1 April 2023. Deferred tax assets and liabilities have been restated for this change, resulting in an increase of £2.3m.

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

7 Property, plant and equipment

	Plant and Machinery, fixtures and fittings £'000	Total £'000
Cost		
At 1 January 2020	309,540	309,540
Reclassification (see note 8)	(2,585)	(2,585)
Additions	108	108
At 31 December 2020	307,063	307,063
Additions	-	-
At 31 December 2021	307,063	307,063
Accumulated depreciation		
At 1 January 2020	170,982	170,982
Reclassification (see note 8)	(567)	(567)
Charge for the year	9,736	9,736
At 31 December 2020	180,151	180,151
Charge for the year	9,578	9,578
At 31 December 2021	189,729	189,729
Net book value		
At 31 December 2021	117,334	117,334
At 31 December 2020	126,912	126,912

Security

There is a fixed and floating charge over assets of the Group.

Property, plant and equipment

Included within property, plant and equipment is capitalised interest of £33.454 million (2020: £36.185 million).

8 Stocks

	2021 £'000	2020 £'000
Raw materials and consumables	3,052	2,912

During 2020 engineering spares were reclassified from property, plant and equipment to stocks.

Raw materials and consumables recognised as cost of sales in the year amounted to £1.447 million (2020: £0.587 million). There were no material write downs or reversal of write-downs of stock during the financial year (2020: £nil).

No stocks were pledged as security for liabilities in the year (2020: £nil).

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

9 Debtors – amounts falling due within one year

	2021 £'000	2020 £'000
Trade debtors	2,399	2,304
Amounts owed by related parties (see note 17)	3,707	2,716
Prepayments	444	370
Accrued income	2,583	1,360
	9,133	6,750

The amounts owed by related parties relate to current trading are interest free and repayable on normal commercial terms typically between 20 and 30 days.

10 Cash and cash equivalents

	2021 £'000	2020 £'000
Cash and cash equivalents per cash flow statement	8,649	22,749

11 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	8	-
Amounts owed to related parties (see note 17)	5,263	6,873
Other creditors	1,773	2,114
Corporation tax	-	178
	7,044	9,165

No creditors relate to convertible debt (2020: £nil)

The amounts owed to related parties save for those as referred to in note 13, relate to trading balances are interest free and repayable on agreed terms typically between 20 and 50 days.

12 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Amounts owed to related parties (see note 17)	47,044	64,624
Deferred tax liability (see note 14)	9,131	6,396
	56,175	71,020

The amounts owed to related parties consist of secured shareholder loans. The loans incur interest at a fixed rate of 12.00%.

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

13 Interest bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost.

	2021 £'000	2020 £'000
Creditors: amounts falling due within one year		
Loans from related parties	1,426	1,955
	2021 £'000	2020 £'000
Creditors: amounts falling due after more than one year		
Loans from related parties	47,044	64,624

14 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Accelerated capital allowances	-	-	(14,282)	(11,037)	(14,282)	(11,037)
Unused tax losses	5,151	4,641	-	-	5,151	4,641
Tax assets/(liabilities)	5,151	4,641	(14,282)	(11,037)	(9,131)	(6,396)

15 Capital and reserves

Share capital

	2021 Number	2021 £'000	2020 Number	2020 £'000
Ordinary A Shares of £1 each	1,000	1	1,000	1
Ordinary B1 Shares of £1 each	186,750	186.75	186,750	186.75
Ordinary B2 Shares of £1 each	62,250	62.25	62,250	62.25
	250,000	250	250,000	250

The Ordinary A Shares carry all rights in relation to the Company other than the right to receive dividends and the right to a distribution on a winding up. The Ordinary A Shareholders are entitled to one vote for every Ordinary A Share held.

The Ordinary B Shares carry no rights in relation to the Company other than the right to receive dividends and the right to a distribution on a winding up. The Ordinary B Shares carry no voting rights. The Ordinary B Shares confer the rights and obligations to make subordinated shareholder loans to INEOS Runcorn (TPS) Limited, where the amounts of such loans are in pro-rata to the holdings of the Ordinary B Shares.

The Ordinary B Shares are subdivided into Ordinary B1 Shares and Ordinary B2 Shares. The Ordinary B2 Shares rank pari passu in all respects with the Ordinary B1 Shares, except that each Ordinary B2 Shareholder is granted an option to make additional loans to INEOS Runcorn (TPS) Limited under certain circumstances.

Dividends

After the balance sheet date no dividends (2020: no dividends) were proposed by the directors.

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

15 Capital and reserves (continued)

	Retained earnings £'000
At 1 January 2021	78,888
Loss for the financial year	(4,189)
At 31 December 2021	74,699

16 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2021 £'000	2020 £'000
Less than one year	390	362
Between one and five years	1,561	1,449
More than five years	2,863	3,020
	4,814	4,831

17 Related Parties

Identity of related parties with which the Group has transacted

The ultimate controlling parties of the Group are INOVYN Energy Limited and Viridor Energy Limited. INOVYN ChlorVinyls Limited is the parent company of INOVYN Energy Limited.

Related party transactions

Related party transactions during the year were as follows:

	Sales 2021 £'000	2020 £'000	Purchases and Expenses 2021 £'000	2020 £'000
INOVYN ChlorVinyls Limited	12,932	12,209	9,209	7,360
INOVYN Energy Limited	-	-	1,725	2,095
Viridor Energy Limited	7,978	7,907	26,374	20,141
Total	20,910	20,116	37,308	29,596

	Receivables outstanding 2021 £'000	2020 £'000	Payables outstanding 2021 £'000	2020 £'000
INOVYN ChlorVinyls Limited	1,397	1,318	1,052	943
INOVYN Energy Limited	-	-	12,119	16,645
Viridor Energy Limited	2,310	1,398	39,136	53,909
Total	3,707	2,716	52,307	71,497

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

18 Controlling parties

The Group's shareholders are INOVYN Energy Limited and Viridor Energy Limited, none of these companies consolidate. No other consolidated financial statements include the results of the Group.

19 Critical accounting judgements and key sources of estimation uncertainty

The Group prepares its financial statements in accordance with the FRS102, which require 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.

The following areas are considered to involve a significant degree of judgement or estimation:

Critical judgements in applying the Group's accounting policies

The directors do not consider there to be any critical judgements, apart from those involving estimations, which are presented separately below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of assets

The Group considers whether its property, plant and equipment are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating unit (CGU). This requires estimation of the future cash flows from the CGU and also selection of appropriate discount rate in order to calculate the net present value of those cash flows.

Company balance sheet as at 31 December 2021

	Note	2021 £'000	2020 £'000
Non-current Assets			
Investments	1	250	250
		250	250
Net Assets		250	250
Capital and reserves			
Share capital	2	250	250
Shareholders' funds		250	250

The profit for the year ended 31 December 2021 recorded in the statement of comprehensive income of the company was £nil (2020:£nil).

Company statement of changes in equity for the year ended 31 December 2021

	Share capital £'000	Shareholders' funds £'000
Balance at 1 January 2020 and 31 December 2020	250	250
Balance at 1 January 2021 and 31 December 2021	250	250

Approved by the board and signed on its behalf

Julie Taylorson Digitally signed by Julie Taylorson
Date: 2022.09.06 16:50:48 +01'00'

JD Taylorson
Director
6th September 2022

Notes to the company financial statements for the year ended 31 December 2021

1 Investments

The investment comprises 250,000 (2020: 250,000) of ordinary shares of £1 each, representing 100.00% of the share capital of INEOS Runcorn (TPS) Limited. INEOS Runcorn (TPS) Limited is incorporated in the United Kingdom and registered in England and Wales.

Its registered office address is at Bankes Lane Office, Bankes Lane, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

2 Capital and reserves

Share capital

	2021 Number	2021 £'000	2020 Number	2020 £'000
Ordinary A Shares of £1 each	1,000	1	1,000	1
Ordinary B1 Shares of £1 each	186,750	186.75	186,750	186.75
Ordinary B2 Shares of £1 each	62,250	62.25	62,250	62.25
	250,000	250	250,000	250

The Ordinary A Shares carry all rights in relation to the Company other than the right to receive dividends and the right to a distribution on a winding up. The Ordinary A Shareholders are entitled to one vote for every Ordinary A Share held.

The Ordinary B Shares carry no rights in relation to the Company other than the right to receive dividends and the right to a distribution on a winding up. The Ordinary B Shares carry no voting rights. The Ordinary B Shares confer the rights and obligations to make subordinated shareholder loans to INEOS Runcorn (TPS) Limited, where the amounts of such loans are in pro-rata to the holdings of the Ordinary B Shares.

The Ordinary B Shares are subdivided into Ordinary B1 Shares and Ordinary B2 Shares. The Ordinary B2 Shares rank pari passu in all respects with the Ordinary B1 Shares, except that each Ordinary B2 Shareholder is granted an option to make additional loans to INEOS Runcorn (TPS) Limited under certain circumstances.