

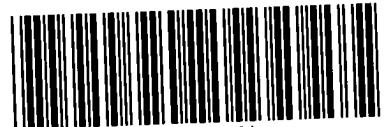
INOVYN ChlorVinyls Holdings Limited

Annual report and financial statements

Registered number 07085121

31 December 2019

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Strategic report for the year ended 31 December 2019

The directors present their strategic report for INOVYN ChlorVinyls Holdings Limited (the “Company”) for the year ended 31 December 2019.

Principal activities

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

Review of the business

The loss before taxation was €5.4 million (2018: loss of €2.3 million).

During the year the Company incurred interest payable and similar expenses arising on loans from other group entities of €5.4 million (2018: €6.0 million).

The net assets of the Company at 31 December 2019 were €2.4 million (2018: €5.9 million).

Financial risk management

The Company’s operations expose it to financial risks including credit risk and liquidity risk. Since the Company’s operations involve related parties, these risks are not considered significant. The Company is a subsidiary of INOVYN Limited and all risks are managed at a group level. Further details of policies in relation to financial risks can be obtained from the Company Secretary at: Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

Future developments

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

Principal risks and uncertainties

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

Section 172 (1) statement

The directors have the duty to promote the success of the Company for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers, investors and the environment. As the Company is an indirect subsidiary of INOVYN Limited all stakeholder considerations are managed at a group level. Further detail of policies in relation to the section 172(1) duties can be found in the Annual report and financial statements of INOVYN Limited which may be obtained from the Company Secretary at: Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

Key performance indicators (“KPIs”)

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

On behalf of the Board



M J Maher

Director

11 June 2020

Directors' report for the year ended 31 December 2019

The directors present their report and the audited financial statements of INOVYN ChlorVinyls Holdings Limited for the year ended 31 December 2019.

Financial risk management and future developments

The management of the financial risks of the Company along with disclosure of future developments are included in the Strategic report on page 2.

Directors

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

CE Tane (resigned 1 January 2020)
MJ Maher
JD Taylorson
G Tuft (appointed 1 January 2020)

Dividends

The directors do not recommend the payment of a dividend (2018: €nil).

Subsequent event

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

Going Concern

The Company, whilst not trading has loan relationships with counter-parties under the same key management structure as the Company, as such, any support required will be provided by the common ultimate controlling party. Whilst there is significant uncertainty due to the COVID-19 crisis, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Political and charitable donations

The Company made no political contributions during the year (2018: €nil). Charitable donations amounted to €nil (2018: €nil).

Directors' indemnities

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

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

Directors' report for the year ended 31 December 2019 (continued)

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departure disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

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

Registered address

INOVYN ChlorVinyls Holdings Limited
Runcorn Site HQ
South Parade
P.O. Box 9, Runcorn
Cheshire, WA7 4JE

On behalf of the Board



M J Maher
Director
11 June 2020

Independent auditors' report to the members of INOVYN ChlorVinyls Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of INOVYN ChlorVinyls Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "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 income statement;
- the balance sheet;
- the statement of changes in equity; and
- the related notes to the financial statements 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

Independent auditor's report to the members of NOVYN ChlorVinyls Holdings Limited (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

Independent auditor's report to the members of INOVYN ChlorVinyls Holdings Limited (continued)

Matters on which we are required to report by exception

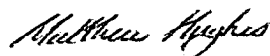
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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

11 June 2020

Income statement
for the year ended 31 December 2019

	<i>Note</i>	2019 €m	2018 €m
Operating result	2	-	-
Income from shares in group undertakings	3	-	3.7
Interest payable and similar expenses	4	(5.4)	(6.0)
		<hr/>	<hr/>
Loss before taxation		(5.4)	(2.3)
Tax on loss	5	1.9	(0.6)
		<hr/>	<hr/>
Loss for the financial year		(3.5)	(2.9)
		<hr/>	<hr/>

All activities of the Company relate to continuing operations.

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

Balance sheet

As at 31 December 2019

	Note	2019 €m	2019 €m	2018 €m	2018 €m
Fixed assets					
Investments	6		118.6		118.6
			<u>118.6</u>		<u>118.6</u>
Current assets					
Debtors	7	51.8		49.9	
		<u>51.8</u>		<u>49.9</u>	
Net current assets			51.8		49.9
			<u>51.8</u>		<u>49.9</u>
Total assets less current liabilities			170.4		168.5
			<u>170.4</u>		<u>168.5</u>
Creditors: amounts falling due after more than one year	8		(168.0)		(162.6)
			<u>(168.0)</u>		<u>(162.6)</u>
Net assets			2.4		5.9
			<u>2.4</u>		<u>5.9</u>
Capital and reserves					
Called up share capital	10		-		-
Retained earnings			2.4		5.9
			<u>2.4</u>		<u>5.9</u>
Total shareholders' funds			2.4		5.9
			<u>2.4</u>		<u>5.9</u>

The notes on pages 11 to 17 form part of the financial statements.

These financial statements on pages 8 to 17 were approved by the Board of Directors on 11 June 2020 and were signed on its behalf by:



M J Maher
Director

INOVYN ChlorVinyls Holdings Limited

Company registered number: 07085121

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

	Called up share capital €m	Retained earnings €m	Total shareholders' funds €m
Balance at 1 January 2018	-	8.8	8.8
Loss for the financial year	-	(2.9)	(2.9)
Balance at 31 December 2018	-	5.9	5.9

	Called up share capital €m	Retained earnings €m	Total shareholders' funds €m
Balance at 1 January 2019	-	5.9	5.9
Loss for the financial year	-	(3.5)	(3.5)
Balance at 31 December 2019	-	2.4	2.4

Notes to the financial statements

for the year ended 31 December 2019

1 Accounting policies

INOVYN ChlorVinyls Holdings Limited (the "Company") is a private company incorporated in the United Kingdom under the Companies Act 2006, registered and domiciled in England and Wales and limited by shares. The address of the Company's registered office is shown on page 4.

These financial statements were prepared in accordance with The Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") on a going concern basis and under the historical cost accounting rule. The presentational currency of these financial statements is the Euro.

The Company's ultimate parent undertaking, INOVYN Limited, includes the Company in its consolidated financial statements, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The consolidated financial statements of INOVYN Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU, are available to the public and may be obtained from the Company Secretary at Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Disclosures in respect of transactions with wholly owned companies within the group;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently on the going concern basis, to all periods presented in these financial statements and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes to the financial statements (continued)

for the year ended 31 December 2019

1 Accounting policies (continued)

1.3 Financial instruments

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

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

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

Trade and other receivables

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

Trade and other payables

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

Interest-bearing borrowings

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

1.4 Impairment

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

Non-financial assets

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

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

Financial assets

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

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

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

1.5 Expenses

Finance income and cost

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

Notes to the financial statements (continued)

for the year ended 31 December 2019

1.6 Taxation

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. A provision is recognised for those matters for which the tax determination is uncertain but is considered probable that there will be a future outflow of funds

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Operating result

Auditors' remuneration

The audit fee for the Company for the year of €1,613 (2018: €1,498) was borne by a fellow group undertaking.

Employees and directors' remuneration

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

3 Income from shares in group undertakings

During the year, the Company received a dividend of €nil (2018: €3.7million) from INEOS Vinyls UK Limited.

4 Interest payable and similar expenses

	2019 €m	2018 €m
Interest payable to group undertakings	5.4	6.0

Notes to the financial statements (continued)

for the year ended 31 December 2019

5 Tax on loss

Recognised in the income statement

	2019 €m	2019 €m	2018 €m	2018 €m
<i>UK corporation tax</i>				
Current tax on loss for the financial year	(1.0)		(1.1)	
Adjustments in respect of prior periods	(0.9)		1.7	
Total current tax		(1.9)		0.6
Tax on loss		(1.9)		0.6

Reconciliation of standard tax rate

	2019 €m	2018 €m
Loss before taxation	(5.4)	(2.3)
Loss before taxation multiplied by the standard rate of tax in the UK of 19.0% (2018:19.0%)	(1.0)	(0.4)
Non-chargeable income	-	(0.7)
Adjustments in respect of prior periods	(0.9)	1.7
Total tax (credit)/charge	(1.9)	0.6

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to 19% from 1 April 2017 and to 17% from 1 April 2020. In the 2020 budget it was announced that the corporation tax main rate would remain at 19% for the financial year beginning 1 April 2020, rather than reducing it to 17% from 1 April 2020. The charge to corporation tax and the main rate will also be set at 19% for the financial year beginning 1 April 2021.

6 Investments

	Shares in group undertakings €m
<i>Cost</i>	
At 1 January 2018 and 31 December 2019	138.5
<i>Provisions</i>	
At 1 January 2018 and 31 December 2019	(19.9)
<i>Net book value</i>	
At 31 December 2018 and 31 December 2019	118.6

Notes to the financial statements (continued)
for the year ended 31 December 2019

6 Investments (continued)

The Company has the following investments in subsidiaries:

Company	Country of Incorporation	Registered office address	Class of shares held	Ownership 2019	Ownership 2018
INOVYN Newco 2 Limited *	England	(A)	Ordinary	100%	100%
INEOS Vinyls UK Limited*	England	(A)	Ordinary	100%	100%
INOVYN ChlorVinyls Limited	England	(A)	Ordinary	100%	100%
INOVYN Americas Inc	USA	(B)	Ordinary	100%	100%
INOVYN Energy Limited	England	(A)	Ordinary	100%	100%
INOVYN Sales International Limited	England	(A)	Ordinary	100%	100%
INEOS Chlor Atlantik GmbH	Germany	(C)	Ordinary	100%	100%
INEOS Chlor Trustees Limited	England	(A)	Ordinary	100%	100%
EVC Pension Trustees Limited	England	(A)	Ordinary	100%	100%
INOVYN Services Limited	England	(A)	Ordinary	100%	100%
TTE Training Limited	England	(D)	Limited by Guarantee	100%	50%
TTE Apprenticeship Training Agency Limited	England	(D)	Limited by Guarantee	100%	50%
INEOS Vinyls GmbH & Co KG	Germany	(C)	Limited partner	100% economic interest	100% economic interest

* Shares held directly by the Company.

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

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

Reference	Registered office address
(A)	Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom
(B)	2036 Foulk Rd, Suite 204, Wilmington, Delaware 19801, USA
(C)	Ludwigstrasse 12, 47495 Rheinberg, Germany
(D)	New Horizons House, New Bridge Road, Ellesmere Port, Cheshire, CH65 4LT

7 Debtors

	2019 €m	2018 €m
Amounts owed by group undertakings	35.3	35.3
Amounts owed by group undertakings - group relief	16.5	14.6
	<u>51.8</u>	<u>49.9</u>

Amounts owed by group undertakings are unsecured, attract interest at commercial rates, have no fixed date of repayment and are repayable on demand.

Notes to the financial statements (continued)

for the year ended 31 December 2019

8 Creditors: amounts falling due after more than one year

	2019 €m	2018 €m
Amounts owed to group undertakings	168.0	162.6

Amounts owed to group undertakings are unsecured and attract interest at commercial rates.

9 Interest-bearing loans and borrowings

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

	2019 €m	2018 €m
Creditors falling due after more than one year		
Amounts owed to group undertakings	168.0	162.6

The loan outstanding is unsecured and is not repayable by instalments.

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Face value 2019 €m	Carrying amount 2019 €m	Face value 2018 €m	Carrying amount 2018 €m
Long term loan from group undertaking	€	3.25%	None	168.0	168.0	162.6	162.6

Whilst there is no formal repayment date associated with the long term loan from group undertaking, the loan is classified as long term in nature as this best represents the substance of the loan.

10 Called up share capital

At 31 December 2018 and 31 December 2019

	Number	€
Allotted and fully paid		
Ordinary shares of £1 each	100	112
Shares classified in shareholders' funds	100	112

As the reporting currency of the Company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

Notes to the financial statements (continued)

for the year ended 31 December 2019

10 Controlling parties

The immediate parent undertaking is INOVYN Group Treasury Limited, a company registered in England and Wales.

The ultimate parent undertaking of the Company is INEOS Limited, a company incorporated in the Isle of Man. The directors regard Mr J A Ratcliffe as the ultimate controlling party by virtue of his majority shareholding in INEOS Limited.

The largest and smallest group that consolidated the Company's financial statements as at 31 December 2019 was INOVYN Limited. The consolidated financial statements of INOVYN Limited are available to the public and may be obtained from the Company Secretary at its registered office: Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

11 Critical accounting judgements and key sources of estimation uncertainty

The Company prepares its financial statements in accordance with Financial Reporting Standard 101 ("FRS 101"), 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 are revised and in any future periods affected.

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

Critical judgements in applying the Company'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.

Taxation

Management is required to estimate the tax payable in the jurisdiction in which the Company operates. The calculation of the Company's total tax charge or credit involves a significant degree of estimation in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority. Details of amounts recognised with regard to taxation are disclosed in note 5.

Carrying value of investments

Investments in subsidiaries are carried at cost less impairment. At the end of each reporting period, the Company assesses whether there is any indication of impairment. Determining the carrying value of the investment requires a series of estimates to be made by management.

12 Subsequent event

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