

Ineos Trustees Limited
Annual report
for the period ended 31 December 1998

Registered Number 3546093



Ineos Trustees Limited

Annual report

for the period ended 31 December 1998

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Ineos Trustees Limited

Directors' report for the period ended 31 December 1998

The directors present their report and the audited financial statements of the Company for the period ended 31 December 1998.

Principal activities

The principal activity of the Company is to act as corporate trustee for the Ineos Group Employee Benefit Trust.

Results for the year

The Company has not traded during the period.

Review of business developments and prospects

The company was incorporated on 7 April 1998. On 5 May 1998 the Company became a corporate trustee of the employee benefit scheme constituted under a Trust Deed and called the Ineos Group Employee Benefit Trust.

Directors and their interests

The directors who served during the year were as follows:

Mr B Collett	(appointed 7 April 1998, resigned 5 May 1998)
Mr J A Ratcliffe	(appointed 5 May 1998)

The beneficial interests of the directors in the share capital of the ultimate parent undertaking, Ineos Group Limited, as at 31 December 1998 are as follows:

	31 December 1998 Ordinary shares of 10p each	
	"C"	"D"
Mr JA Ratcliffe	165,000	1,012,500

Directors' responsibilities

The directors are required by the Companies Act 1985 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period, and of the profit or loss of the Company for the financial period.

The directors consider that in preparing the financial statements on pages 4 to 7, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed. The financial statements have been prepared on a going concern basis as the directors presume that the Company will continue in business.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Ineos Trustees Limited

Auditors

The auditors, PricewaterhouseCoopers, were appointed during the period and have indicated their willingness to continue in office. A resolution to consider their reappointment and fix their remuneration will be proposed at the next annual general meeting.

On behalf of the Board

J A Ratcliffe
Director

25th April 2000

A handwritten signature in black ink, appearing to be 'J A Ratcliffe', written over the printed name and date.

Ineos Trustees Limited

Auditors' report to the members of Ineos Trustees Limited

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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

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

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 1998 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
25th April 2000

Ineos Trustees Limited

Profit and loss account for the period ended 31 December 1998

The company has not traded during the period and therefore has made neither a profit nor a loss.

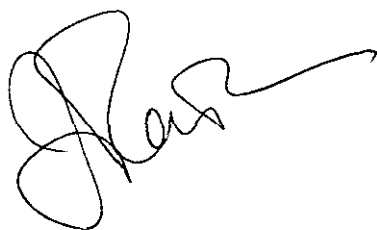
Ineos Trustees Limited

Balance sheet as at 31 December 1998

	Note	1998 £
<hr/>		
Current assets		
Debtors	2	1
<hr/>		
Net assets		1
<hr/>		
Capital and reserves		
Called up equity share capital	3	1
<hr/>		
Equity shareholders' funds	4	1
<hr/>		

The financial statements on pages 4 to 7 were approved by the board of directors on 25th April 2000 and were signed on its behalf by:

J A Ratcliffe
Director



Ineos Trustees Limited

Notes to the financial statements for the year ended 31 December 1998

1 Accounting policies

Accounting convention

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

2 Debtors

	1998
	£
Amounts owed by group undertakings	1

3 Called up equity share capital

	1998
	£
Authorised	
100 ordinary shares of £1 each	100
Allotted, issued and fully paid	
1 ordinary share of £1 each	1

The company was incorporated on 7 April 1998, on which date it issued one ordinary share at par for cash.

4 Reconciliation of movement in equity shareholders' funds

	1998
	£
Issue of ordinary shares	1
Closing equity shareholders' funds	1

Ineos Trustees Limited

5 Ultimate parent undertaking and controlling party

The ultimate parent undertaking is Ineos Group Limited, a Company registered in England and Wales. Copies of the accounts of Ineos Group Limited can be obtained from the Company Secretary, Ineos Group Limited, Queens Gate, 15-17 Queens Terrace, Southampton, SO14 3BP.

The ultimate controlling party is Mr JA Ratcliffe, director and majority shareholder in the ultimate parent undertaking, Ineos Group Limited.

6 Related party transactions

Transactions with other companies within the Group are not disclosed as the Company has taken advantage of the exemptions available under Financial Reporting Standard No 8 "Related party disclosures" as the consolidated financial statements of Ineos Group Limited in which the Company is included are available at the address noted above.