

INEOS Paraform Limited

Annual report and financial statements

Registered number 4482032

31 December 2018



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Strategic report

Principal activities

The principal activity of the company is to act as an intermediate non-trading parent company to INEOS Paraform GmbH & Co. KG and INEOS Paraform Beteiligungs GmbH & Co. KG.

Given the non-trading purpose of this entity we would like to refer to the Directors' report of INEOS Paraform Holdings Limited (registered number 5293217), being the sole shareholder of INEOS Paraform Limited. Any other comments and disclosures in the Directors' report of INEOS Paraform Holdings Limited also apply to INEOS Paraform Limited.

Review of business and future developments

2018 was a satisfactory year with overall market demand nearly at the 2017 level, however a longer period of low levels of the river Rhine with shipping limitations, limited the income of the investment in INEOS Paraform GmbH & Co KG. As a result the profit before taxation decreased from €1,061,000 to €239,000.

Results and dividends

The results for the financial year are set out in the income statement on page 9. The directors decided to declare an interim dividend of €935,000 for the business year 2018 and do not recommend the payment of a further dividend for the business year 2018 (2017: €935,000).

Principal risks and uncertainties

The directors are confident that the company is structured and positioned in a manner that will enable it to meet the demands of its markets and business environment. The entity acts as a holding company for the German entities of the group and no other operational business.

The group is embedded in the risk management system of the global INEOS group. Executive Committee Meetings take place on a regular basis, approximately six times per year, in which all aspects of business performance and all major decisions are discussed and agreed.

To avoid losses from customer insolvencies, exports and overseas sales are secured by prepayments or letters of credit. The group is in compliance with the requirements of the new European chemical legislation REACH and is well prepared to meet the future registration deadlines.

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.

Subsequent event

In April 2019 it has been agreed that the interests in the German entities in the Paraform Group will be sold to Prefere Resins Holdings Limited. The sale is expected to be completed by the end of June 2019.

Approved and signed on behalf of the Board



A Brown
Director
20 June 2019

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 December 2018.

Review of business

The directors are satisfied with the performance of the company during the year and anticipate a similar financial performance in 2019.

Future developments

The directors do not expect any change in the company's activities during the next financial year.

Directors

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

Mr G W Leask

Mr A Brown

Mr A White

Ms J Lewis (appointed 11 April 2019)

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company where appropriate.

The exposure of the group to foreign exchange risks is limited. Approximately 90 percent of the group's revenue is realised in Euro denominated regions and all main feedstock purchases are on a Euro basis. Exports to non Euro regions are, on a case by case basis, evaluated with respect to profitability.

Results and dividends

The results for the financial year are set out in the income statement on page 9. The directors decided to declare a dividend of €935,000 for the business year 2018 and do not recommend the payment of a further dividend for the business year 2018 (2017: €935,000).

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures 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 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.

Directors' report (continued)

Statement of directors' responsibilities (continued)

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

Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP are deemed to be reappointed in accordance with an elective resolution made under section 487 of the Companies Act 2006.

Approved and signed on behalf of the board by



A Brown
Director
INEOS Paraform Limited
Hawkslease, Chapel Lane, Hampshire, Lyndhurst, SO43 7FG
20 June 2019

Independent auditors' report to the members of INEOS Paraform Limited

Report on the audit of the financial statements

Opinion

In our opinion, INEOS Paraform Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Income Statement, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members of INEOS Paraform Limited (continued)
Reporting on other information (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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the 'Statement of directors' responsibilities set out on page 4 and 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of INEOS Paraform Limited (continued)

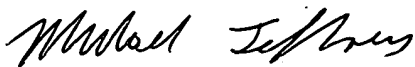
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Michael Jeffrey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
20 June 2019

Income Statement
for the year ended 31 December 2018

	<i>Note</i>	2018 €000	2017 €000
Administrative expenses		(749)	(735)
Other operating income		720	686
		<hr/>	<hr/>
Operating loss	2	(29)	(49)
Income from other fixed asset investments	4	346	1,152
Finance income	5	5	6
Finance expenses	6	(148)	(113)
		<hr/>	<hr/>
Profit before taxation		174	996
Tax on profit	7	(115)	(282)
		<hr/>	<hr/>
Profit for the financial year		59	714
		<hr/> <hr/>	<hr/> <hr/>

All activities of the company relate to continuing operations.

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

Balance Sheet
as at 31 December 2018

	Note	2018 €000	2018 €000	2017 €000	2017 €000
Fixed assets					
Investments	8		10,912		10,912
Current assets					
Cash and cash equivalents		-		42	
Trade and other receivables	9	3,131		3,066	
Corporate tax receivable and social security		53		142	
Creditors: amounts falling due within one year	10	(5,121)		(4,311)	
			<hr/>		<hr/>
Net current liabilities			(1,937)		(1,061)
			<hr/>		<hr/>
Total assets less current liabilities			8,975		9,851
Capital and reserves					
Called up share capital	11	-		-	
Share premium account		3,350		3,350	
Retained earnings		5,625		6,501	
			<hr/>		<hr/>
Total shareholders' funds			8,975		9,851
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 12 to 19 are an integral part of these financial statements.

These financial statements on pages 9 to 19 were approved by the board of directors on 20 June 2019 and were signed on its behalf by:



A Brown
Director

Company registered number: 4482032

Statement of Changes in Equity

for the year ended 31 December 2018

	Called up share capital €000	Share premium account €000	Retained earnings €000	Total shareholders' funds €000
Balance at 1 January 2017	-	3,350	6,722	10,072
Profit for the financial year	-	-	714	714
Dividends (note 12)	-	-	(935)	(935)
Balance at 31 December 2017	-	3,350	6,501	9,851
	Called up share capital €000	Share premium account €000	Retained earnings €000	Total shareholders' funds €000
Balance at 1 January 2018	-	3,350	6,501	9,851
Profit for the financial year	-	-	59	59
Dividends (note 12)	-	-	(935)	(935)
Balance at 31 December 2018	-	3,350	5,625	8,975

Notes to the financial statements

1 Accounting policies

INEOS Paraform Limited (the "Company") is a private company, limited by shares, incorporated, registered and domiciled in England, UK.

These financial statements have been prepared on a going concern basis under the historical cost convention in accordance with The Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of *International Financial Reporting Standards* as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's parent undertaking, INEOS Paraform Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements of INEOS Paraform Holdings Limited are prepared in accordance with *International Financial Reporting Standards* and are available to the public and may be obtained from the Company Secretary at: Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG. The Company is therefore exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and fixed assets investments;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of INEOS Paraform Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company;
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

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

1.1 Measurement convention

Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

1.2 Going concern

The directors have considered the projected future cash flows and working capital requirements of the Company and its subsidiaries and taking into account the facilities available and are confident that the company has sufficient cash flows to meet its working capital requirements for the next twelve months from the date of signing the financial statements. The directors therefore continue to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1.3 New standards, amendments and IFRIC interpretations

IFRS 9 is a new accounting standard that is effective for the year ended 31 December 2018 and has an impact on the company (note 1.5). There are no other amendments to accounting standards that are effective for the year ended 31 December 2018 which have had a material impact on the company. IFRS 15 became effective in the year however, given the entity does not have any revenue, it is not relevant and as such does not apply IFRS 15.

1.4 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency 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 income statement.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition, the company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

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, less any impairment losses.

1.6 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss 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 an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company 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. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1.6 Impairment excluding stocks and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and 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. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

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"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

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 profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

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

In respect of other assets, 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 if there has been a change in the estimates used to determine the recoverable amount. 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.

1.8 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.9 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 or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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.

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.

Notes to the financial statements (continued)

1 Accounting policies (continued)

1.10 Expenses

Finance income and expenses

Finance expenses includes interest payable to group undertakings, and net foreign exchange gains/losses that are recognised in the income statement (see foreign currency accounting policy). Finance income includes interest receivable from group undertakings. Interest receivable and interest payable is recognised in the income statement as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

2 Operating loss

Auditors' remuneration:

	2018 €000	2017 €000
Audit of these financial statements	20	20

3 Staff numbers and costs

The Company had no employees during the year (2017: nil). No Directors received any fees or remuneration in respect of their services as a Director of the Company during the financial year (2017: €nil).

4 Income from other fixed asset investments

	2018 €000	2017 €000
Other income from fixed asset investments	346	1,152

5 Finance income

	2018 €000	2017 €000
Interest receivable from group undertakings	5	6

6 Finance expenses

	2018 €000	2017 €000
Interest payable to group undertakings	54	96
Other interest payable	94	17
	<u>148</u>	<u>113</u>

Notes to the financial statements (continued)

7 Tax on profit

Recognised in the Income Statement

	2018 €000	2018 €000	2017 €000	2017 €000
<i>UK corporation tax</i>				
Current tax on income for the year	78		264	
Double taxation relief	(78)		(264)	
<i>Foreign tax</i>				
Current tax on expense for the year	115		282	
		115		282
Total current tax		115		282

Reconciliation of effective tax rate

	2018 €000	2017 €000
Total tax charge	115	282
Profit before taxation	174	996
Profit before taxation multiplied by the standard rate of tax in the UK of 19% (2017: 19.25%)	33	192
Effect of tax rates in foreign jurisdictions	82	90
Total tax charge	115	282

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 reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

8 Investments

	Shares in group undertakings €000
<i>Cost and net book value</i>	
At beginning and end of year	10,912

Notes to the financial statements (continued)

8 Investments (continued)

The Company has the following investments in subsidiaries:

	Country of Incorporation	Class of shares held	Ownership	
			2018	2017
INEOS Paraform GmbH & Co. KG Hauptstraße 30, 55120 Mainz	Germany	Ordinary	90%	90%
INEOS Paraform Beteiligungs GmbH & Co. KG Hauptstraße 30, 55120 Mainz	Germany	Ordinary	100%	100%

INEOS Paraform Limited holds a 90% direct holding in INEOS Paraform GmbH & Co. KG and a 10% indirect holding by virtue of its 100% holding in INEOS Paraform Beteiligungs GmbH & Co. KG as INEOS Paraform Beteiligungs GmbH & Co. KG holds the remaining 10% shareholding in INEOS Paraform GmbH & Co. KG.

The unlimited partner of both partnerships mentioned in the above table is INEOS Paraform Verwaltungs GmbH which holds one share in each of the companies at a zero value.

The directors believe the book value of investments is supported by their underlying net assets and earnings.

9 Trade and other receivables

	2018 €000	2017 €000
Amounts owed by group undertakings	3,093	3,054
Other debtors	38	12
	3,131	3,066

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

10 Creditors: amounts falling due within one year

	2018 €000	2017 €000
Amounts owed to group undertakings	5,030	2,209
Amounts owed to related parties (note 13)	-	2,086
Other creditors	91	16
	5,121	4,311

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

Notes to the financial statements (continued)

11 Called up share capital

	2018	2017
	€000	€000
<i>Allotted, called up and fully paid</i>		
10,010 (2017: 10,010) Ordinary shares of £0.01 each	-	-
	-	-

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

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.

12 Dividends

The following dividends were recognised during the year:

	2018	2017
	€000	€000
Interim paid €99.90 per share (2017: €99.90)	935	935
	935	935

Dividends paid include €935,000 (2017: €935,000) paid to the immediate parent company INEOS Paraform Holdings Limited.

13 Related parties

Identity of related parties with which the Company has transacted

Other related party transactions

	Creditors outstanding	
	2018	2017
	€000	€000
INEOS Enterprises Holding Ltd	-	2,086
	-	2,086

14 Controlling parties

The Company is a subsidiary undertaking of INEOS Paraform Holdings Limited which is the immediate parent company registered in England and Wales. The ultimate parent company is INEOS Limited, a company incorporated in the Isle of Man.

INEOS Paraform Holdings Limited and its subsidiary undertakings is the smallest group to consolidate the financial statements of the company. INEOS Enterprises Holdings Limited is the largest group to consolidate the financial statements of the Company.

The consolidated group financial statements of INEOS Paraform Holdings Limited and INEOS Enterprises Holdings Limited are available to the public and may be obtained from the Company Secretary at: Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The Directors regard Mr JA Ratcliffe to be the ultimate controlling party by virtue of his shareholding in INEOS Limited.

Notes to the financial statements (continued)

15 Accounting estimates and judgements

The Company prepares its consolidated financial statements in accordance with IFRSs, 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:

Taxation

Management is required to estimate the tax payable in each of the jurisdictions in which the Group operates. This involves estimating the actual current tax charge or credit together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which may be included on the consolidated balance sheet of the Group. Management have performed an assessment as to the extent to which future taxable profits will allow the deferred asset to be recovered. The calculation of the Group's total tax charge necessarily 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, or, as appropriate, through a formal legal process.

The Group has, from time to time, contingent tax liabilities arising from trading and corporate transactions in the countries in which it operates. After appropriate consideration, management makes provision for these liabilities based on the probable level of economic loss that may be incurred and which is reliably measurable. As at 31 December 2018 no such liabilities existed.

The breadth of the Group's structure with operations in many geographic locations makes the use of estimates and assumptions more challenging. The resolution of issues is not always within the control of the Group and can be reliant upon the efficiency of the legal processes in the relevant jurisdictions in which the Group operates, and as a result, issues can, and often do take many years to resolve.

Details of amounts recognised with regard to taxation are disclosed in Note 7.

Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See Note 9 for the net carrying amount of the debtors.

16 Subsequent Events

In April 2019 it has been agreed that the interests in the German entities in the Paraform Group will be sold to Prefere Resins Holdings Limited. The sale is expected to be completed by the end of June 2019.