
INEOS Fluor International Limited

Annual report and financial statements

Registered number 4110462

Year ended – 31 December 2018



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Directors' Report

The directors present their report and the audited financial statements of the company for the year ended 31 December 2018. The company is exempt from producing a Strategic Report under S414B of Companies Act 2006.

Principal activities

The company's principal activities ceased following the disposal of the fluorochemicals business out of the INEOS Fluor Group on 31 March 2010 although some related legacy transactions have occurred since this date. The directors do not expect any changes to the activities of the company in the foreseeable future.

Results and dividends

The company's profit before taxation for the financial year was £1,000 (2017: £2,000). The directors do not recommend payment of a dividend (2017: £nil).

Political and charitable contributions

The company made no political or charitable contributions during the year (2017: £nil).

Principal risks and uncertainties

The management of the business and execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to local and national competition factors which would cause a decline in the market. Further discussion of these risks and uncertainties in the context of the group as a whole, is provided in the annual report of parent company INEOS Group Holdings S.A., which does not form part of this report.

Key performance indicators ("KPIs")

The directors of INEOS Group Holdings S.A. manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using performance indicators of the company is not necessary or appropriate for an understanding of the development, performance or position of the business of INEOS Fluor International Limited. The development, performance and position of the group, including this company, is discussed in the group's annual report which does not form part of this report.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in 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 company is funded internally by the INEOS group and therefore has no direct exposure to liquidity or debt market risk. Interest rate exposures are managed on a group basis and are fully disclosed in the consolidated financial statements of INEOS Group Holdings S.A..

Future developments

The directors expect the company's activities going forward to be largely consistent due the cessation of principal activities.

Directors

The directors who held office during the year and up to the date of this report were as follows:

A White
G Leask
A Brown

Qualifying third party indemnity

The directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Directors' responsibilities statement

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

Directors' Report (continued)

Directors' responsibilities statement (continued)

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.

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.

Statement of disclosure 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved and signed on behalf of the board



A Brown
Director
20 June 2019

Runcorn Site HQ,
South Parade, PO Box 9,
Runcorn,
Cheshire,
WA7 4JE

Independent Auditors' Report to the Members of INEOS Fluor International Limited

Report on the audit of the financial statements

Opinion

In our opinion, INEOS Fluor International 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 Profit and Loss Account, 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.

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.

Independent Auditors' Report to the Members of INEOS Fluor International Limited (continued)

Reporting on other information (continued)

With respect to the 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.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the 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 Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on pages 2 and 3, 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.

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.

Independent Auditors' Report to the Members of INEOS Fluor International Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. 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

Profit and Loss Account
For the year ended 31 December 2018

	<u>Note</u>	<u>2018</u> £'000	<u>2017</u> £'000
Finance income	5	1	2
Profit before taxation		<u>1</u>	<u>2</u>
Tax on profit	6	-	-
Profit for the financial year		<u><u>1</u></u>	<u><u>2</u></u>

All activities of the company relate to continuing operations.

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

Balance Sheet
As at 31 December 2018

	<u>Note</u>	<u>2018</u> £'000	<u>2017</u> £'000
Current assets			
Trade and other receivables	7	459	459
Cash and cash equivalents		<u>42</u>	<u>41</u>
		501	500
Net assets		<u>501</u>	<u>500</u>
Capital and reserves			
Called up share capital	8	-	-
Retained earnings		<u>501</u>	<u>500</u>
Total shareholders' funds		<u>501</u>	<u>500</u>

The financial statements on pages 7 to 13 were approved by the Board of Directors on 20 June 2019 and signed on its behalf by:



A Brown
Director

Company registered number: 4110462

Statement of Changes in Equity
 For the year ended 31 December 2018

	<u>Called up share capital</u>	<u>Retained earnings</u>	<u>Total shareholders' funds</u>
	£'000	£'000	£'000
Balance at 1 January 2017	-	498	498
Profit for the financial year	-	2	2
Total comprehensive income for the year	-	2	2
Balance at 31 December 2017	-	500	500

	<u>Called up share capital</u>	<u>Retained earnings</u>	<u>Total shareholders' funds</u>
	£'000	£'000	£'000
Balance at 1 January 2018	-	500	500
Profit for the financial year	-	1	1
Total comprehensive income for the year	-	1	1
Balance at 31 December 2018	-	501	501

Notes to the Financial Statements for the year ended 31 December 2018

1 Accounting policies

INEOS Fluor International Limited (the "Company") is a private company limited by shares incorporated, registered and domiciled in England, UK with a registered office of Runcorn Site HQ South Parade, P.O. Box 9, Runcorn, Cheshire, WA7 4JE.

These financial statements were 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 Group Holdings S.A. includes the Company in its consolidated financial statements which are prepared in accordance with International Financial Reporting. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

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;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- 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 to all periods presented in these financial statements.

1.1 *Going concern*

The Directors have considered the company's projected future cash flows and working capital requirements and are confident that the company has sufficient cash flows to meet its working capital requirements for the next twelve months from the signing the financial statements. Accordingly, the financial statements have been prepared on the going concern basis.

1.2 *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 1.7). 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.

1.3 *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 for the year ended 31 December 2018 (continued)

1 Accounting policies (continued)

1.4 Expenses

Finance income and Finance costs

Finance costs includes net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Finance income include net foreign exchange gains.

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account 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.

1.6 Deferred income

Amounts received in advance of the provision of goods or services to the customer are recorded as a liability and shown on the balance sheet as deferred income. Income is released to the profit and loss account when revenue recognition criteria have considered to have been met.

1.7 Non-derivative financial instruments

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

Trade and other receivables

Trade and other receivables 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.

1.8 Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

2 Operating profit

The audit fee has been included in the overall audit fee for INEOS Fluor Limited and is not separately recharged to the company.

3 Staff numbers and costs

The company does not have any employees (2017: none).

All work related to the company is carried out by people employed by other INEOS group companies.

4 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (2017: £nil).

5 Finance income

	2018	2017
	£'000	£'000
Foreign exchange gains	1	2
Total finance income	1	2

6 Tax on profit

Recognised in the profit and loss account

	2018	2017
	£'000	£'000
UK Corporation Tax		
Current tax on income for the year	-	-
Adjustments in respect of prior periods	-	-
Tax charge on profit	-	-

Tax expense for the year is equal (2017: equal) to the standard rate of corporation tax in the UK for the year ended 31 December 2018 of 19% (2017: 19.25%).

The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017. The rate will reduce further to 17% from 1 April 2020.

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

7 Trade and other receivables

	2018	2017
	£'000	£'000
Group relief receivable	459	459
	459	459

8 Called up share capital

	2018	2017
	£	£
<i>Allotted and fully paid</i>		
1 (2017: 1) ordinary shares of £1 each	1	1
	1	1

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.

9 Controlling parties

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

The smallest and largest group in which the results of the Company are consolidated is that headed by INEOS Group Holdings S.A., a subsidiary of INEOS Limited. The consolidated financial statements of INEOS Group Holdings S.A. are available to the public and may be obtained from the Company Secretary at 58, rue Charles Martel, Luxembourg, L-2134, Luxembourg.

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

10 Accounting estimates and judgements

The Company prepares its financial statements in accordance with FRS101, which requires 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. There is no area within the financial statements that involve significant degree of judgement or estimation.