

INEOS Fluor International Limited

Annual report and financial statements

Registered number 4110462

31 December 2016

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Directors' Report for the year ended 31 December 2016

The directors present their report and the audited financial statements of the company for the year ended 31 December 2016. 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

Turnover for the year relates to the release of deferred income which was fully released by the year end. The company's profit on ordinary activities before taxation for the financial year was £13,000 (2015: £9,000). The directors do not recommend payment of a dividend (2015: £nil).

Political and charitable contributions

The company made no political or charitable contributions during the year (2015: £nil).

Principal risks and uncertainties

The company's operations expose it primarily to foreign exchange and interest rate risk. The company is funded internally by the INEOS group and therefore has no direct exposure to liquidity or debt market risk. Foreign exchange losses arise from balances with other group companies, therefore this risk is mitigated at a group, rather than at a company level.

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of INEOS Group Holdings S.A., which include those of the company, are discussed in the group's annual report which does not form part of this report but are publically available.

Key performance indicators ("KPIs")

Disclosures related to KPIs are no longer considered to be relevant to readers of the financial statements due to the straightforward nature of the company's activities and have therefore been excluded.

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.

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

Directors' Report for the year ended 31 December 2016 (continued)

Directors' responsibilities statement (continued)

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.

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

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

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office. As a result of the Company passing a written resolution, there is no longer a requirement for the auditors to be reappointed on an annual basis.

On behalf of the Board



A Brown
Director
11 May 2017

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

Report on the financial statements

Our opinion

In our opinion, INEOS Fluor International Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2016;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the Notes to the Financial Statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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 from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

May 2017

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Income Statement
 For the year ended 31 December 2016

	<i>Note</i>	2016 £000	2015 £000
Revenue		8	8
Gross profit		8	8
Administrative income		-	3
Operating profit	2	8	11
Finance income	5	5	-
Finance costs	6	-	(2)
Profit on ordinary activities before taxation		13	9
Tax on profit on ordinary activities	7	(3)	(2)
Profit for the financial year		10	7

All activities of the company have ceased therefore these activities are discontinued.

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

Statement of Financial Position

As at 31 December 2016

	<i>Note</i>	2016 £000	2015 £000
Current assets			
Trade and other receivables	8	459	461
Cash and cash equivalents		39	34
		<u>498</u>	<u>495</u>
Creditors: amounts falling due within one year	9	-	(7)
Net current assets		<u>498</u>	<u>488</u>
		<u>498</u>	<u>488</u>
Total assets less current liabilities		<u>498</u>	488
		<u>498</u>	<u>488</u>
Net assets		<u>498</u>	488
		<u>498</u>	<u>488</u>
Equity			
Ordinary shares	10	-	-
Retained earnings		498	488
		<u>498</u>	<u>488</u>
Total shareholders' funds		<u>498</u>	<u>488</u>

The notes on pages 10 to 14 are an integral part of these financial statements.

The financial statements on pages 7 to 14 were approved by the Board of Directors on 11 May 2017 and signed on its behalf by:



A Brown
Director

Company registered number: 4110462

Statement of Changes in Equity

For the year ended 31 December 2016.

	Called up share capital £000	Retained earnings £000	Total shareholders' funds £000
Balance at 1 January 2015	-	481	481
Profit for the financial year	-	7	7
Balance at 31 December 2015	-	488	488

	Called up share capital £000	Retained earnings £000	Total shareholders' funds £000
Balance at 1 January 2016	-	488	488
Profit for the financial year	-	10	10
Balance at 31 December 2016	-	498	498

Notes to the Financial Statements for the year ended 31 December 2016

1 Accounting policies

INEOS Fluor International Limited (the "Company") is a private limited company incorporated and domiciled in the 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. The consolidated financial statements of INEOS Group Holdings S.A. 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, SO43 7FG, United Kingdom.

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*

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2016, have had a material impact on the company.

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 Statement of Financial Position 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.

Notes to the Financial Statements for the year ended 31 December 2016 (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 Income Statement (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 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 Statement of Financial Position 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 Statement of Financial Position 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 Statement of Financial Position as deferred income. Income is released to the Income Statement 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 they are measured at amortised cost using the effective interest method, less any impairment losses.

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 2016 (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 (2015: 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 in 2016 (2015: £nil).

5 Finance income

	2016	2015
	£000	£000
Foreign exchange gain	5	-
	5	-
	5	-

6 Finance costs

	2016	2015
	£000	£000
Foreign exchange loss	-	(2)
	-	(2)
	-	(2)

Notes to the Financial Statements for the year ended 31 December 2016 (continued)

7 Income tax

Recognised in the Income Statement

	2016 £000	2015 £000
<i>UK corporation tax</i>		
Current tax on income for the year	3	2
	<hr/>	<hr/>
Tax on profit on ordinary activities	3	2
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of effective tax rate

Tax expense for the year is equal (2015: equal) to the standard rate of corporation tax in the UK for the year ended 31 December 2016 of 20% (2015: 20.25%). As explained below:

	2016 £000	2015 £000
Profit on ordinary activities before taxation	13	9
Profit multiplied by the standard rate of tax in the UK of 20% (2015 : 20.25%)	3	2
	<hr/>	<hr/>
Tax charge	3	2
	<hr/> <hr/>	<hr/> <hr/>

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. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

8 Trade and other receivables

	2016 £000	2015 £000
Group relief receivable	459	461
	<hr/>	<hr/>
	459	461
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Accruals and deferred income	-	7
	<hr/>	<hr/>
	-	7
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements for the year ended 31 December 2016 (continued)

10 Share capital

	2016 £	2015 £
<i>Allotted and fully paid</i>		
1 (2015: 1) ordinary share of £1	1	1
	<hr/>	<hr/>
	1	1
	<hr/>	<hr/>

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.

11 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 Hawkslease, Chapel Lane, Lyndhurst, SO43 7FG, United Kingdom.

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

12 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.