

INOVYN Sales International Limited  
Annual report and financial statements  
for the year ended 31 December 2016

Registered number 3934724



INOVYN Sales International Limited  
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for the year ended 31 December 2016  
Contents

	Page
Strategic report for the year ended 31 December 2016 .....	1
Directors' report for the year ended 31 December 2016.....	2
Independent Auditors' report to the members of INOVYN Sales International Limited .....	4
Income statement for the year ended 31 December 2016.....	6
Balance sheet as at 31 December 2016 .....	7
Statement of Changes in Equity for the year ended 31 December 2016 .....	8
Accounting policies .....	9
Notes to the financial statements .....	11

# **INOVYN Sales International Limited**

## **Strategic report for the year ended 31 December 2016**

The Directors present their strategic report of INOVYN Sales International Limited (the “Company”) for the year ended 31 December 2016.

### **Review of the business**

The Company does not trade.

### **Principal risks and uncertainties**

The Company's operations expose it to a variety of financial risks including the effects of currency fluctuation risk. As most of the Company's operations involve related parties, none of these risks are considered significant.

### **Key performance indicators (“KPIs”)**

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

### **Strategic future developments**

The Directors do not expect any significant change in the Company's operations, anticipating that the Company will continue to operate as now, into the future.

On behalf of the Board



M J Maher

Director

30 August 2017

# **INOVYN Sales International Limited**

## **Directors' report for the year ended 31 December 2016**

The Directors present their report and the audited financial statements of INOVYN Sales International Limited ("the Company") for the year ended 31 December 2016.

### **Results for the year and dividends**

Profit before taxation was £145,000 (2015: £36,000). The Directors do not recommend the payment of a dividend (2015: £nil).

### **Future outlook**

The Directors do not expect any significant change in the Company's operations, anticipating that the Company will continue to operate as now, into the future.

### **Financial risks**

The Company's operations expose it to a variety of financial risks that include the effects of currency fluctuation risk and interest rate risk. Given the size of the Company's operations, the cost of managing exposure to such risks exceed any potential benefits. The Company is funded internally by the INOVYN Limited 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 INOVYN Limited.

### **Donations**

The Company made no political contributions (2015: £nil).

### **Directors**

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

C E Tane  
M J Maher  
J D Taylorson  
A Moorcroft

### **Directors' indemnities**

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

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic report, Directors report and the financial statements in accordance with applicable law and regulations.

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 Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

# INOVYN Sales International Limited

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

### Statement of Directors' responsibilities (continued)

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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; 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. They 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 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

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office. As a consequence of the Company having passed a written shareholder resolution, there is no requirement to reappoint PricewaterhouseCoopers LLP as auditors of the Company on an annual basis.

### Registered address

INOVYN Sales International Limited  
Runcorn Site HQ  
South Parade  
PO Box 9  
Runcorn  
Cheshire  
WA7 4JE  
United Kingdom

On behalf of the Board



M J Maher  
Director  
30 August 2017

# **INOVYN Sales International Limited**

## **Independent Auditors' report to the members of INOVYN Sales International Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, INOVYN Sales 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 balance sheet as at 31 December 2016;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended;
- the accounting policies; 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in the 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 misstatement in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

#### **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.

# INOVYN Sales International Limited

## Independent auditors' report to the members of INOVYN Sales International Limited (continued)

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities, 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 & Ireland) ("ISA's (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

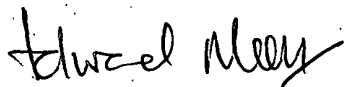
We conducted our audit in accordance with ISA's (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

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 Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



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

30 August 2017

# INOVYN Sales International Limited

## Income statement for the year ended 31 December 2016

	Note	2016 £000	2015 £000
Interest receivable and similar income	4	145	36
<b>Profit before taxation</b>		<b>145</b>	<b>36</b>
Tax on profit	5	(29)	(10)
<b>Profit for the financial year</b>		<b>116</b>	<b>26</b>

All activities of the Company relate to continuing operations.

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

# INOVYN Sales International Limited

## Balance sheet as at 31 December 2016

	Note	2016 £000	2015 £000
<b>Current assets</b>			
Debtors	6	794	649
Cash at bank and in hand		-	-
		<b>794</b>	<b>649</b>
<b>Creditors – amounts falling due within one year</b>	7	<b>(85)</b>	<b>(56)</b>
<b>Net current assets</b>		<b>709</b>	<b>593</b>
<b>Total assets less current liabilities</b>		<b>709</b>	<b>593</b>
<b>Net assets</b>		<b>709</b>	<b>593</b>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Retained earnings		<b>709</b>	<b>593</b>
<b>Total shareholders' funds</b>		<b>709</b>	<b>593</b>

The financial statements on pages 6 to 13 were approved by the Board of Directors on 30 August 2017 and are signed on its behalf by



M J Maher  
Director

INOVYN Sales International Limited  
Registered Number 3934724

# INOVYN Sales International Limited

## Statement of Changes in Equity for the year ended 31 December 2016

	<b>Called up share capital £000</b>	<b>Retained earnings £000</b>	<b>Total shareholders' funds £000</b>
<b>Balance at 1 January 2015</b>	-	567	567
<b>Total comprehensive income for the year</b>			
Profit for the financial year	-	26	26
<b>Balance at 31 December 2015</b>	-	<b>593</b>	<b>593</b>
<b>Total comprehensive income for the year</b>			
Profit for the financial year	-	116	116
<b>Balance at 31 December 2016</b>	-	<b>709</b>	<b>709</b>

# INOVYN Sales International Limited

## Accounting policies

INOVYN Sales International Limited (the “Company”) is a private limited company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”), on a going concern basis and under the historical cost accounting rules.

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, INOVYN Limited includes the Company in its consolidated financial statements. The consolidated financial statements of INOVYN Limited are prepared in accordance with International Financial Reporting Standards available to the public and may be obtained from Runcorn Site HQ, South Parade, P.O.Box 9, Runcorn, Cheshire, WA7 4JE, 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 group companies;
- The effects of new but not yet effective IFRSs;
- 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.

No judgements made by the Directors, in the application of these accounting policies, have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

### Measurement convention

The financial statements are prepared on the historical cost basis.

### 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.

# INOVYN Sales International Limited

## Accounting policies (continued)

### Non-derivative financial instruments

Non-derivative financial instruments comprise other debtors and other creditors.

#### *Other debtors*

Other debtors 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.

#### *Other creditors*

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

### Impairment excluding stocks and deferred tax assets

#### *Financial assets (including other debtors)*

A financial asset not carried at fair value through the income statement 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 the income statement.

### Taxation

Tax on the profit or loss for the year comprises current 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.

# INOVYN Sales International Limited

## Notes to the financial statements

### 1 Operating profit

Auditors' remuneration of £431 (2015: £420) was borne by a fellow group undertaking.

### 2 Directors' emoluments

None of the Directors received any emoluments in respect of services to the Company during the year (2015: £nil).

### 3 Employee information

The Company had no employees, other than the Directors, during the year or the previous year.

### 4 Interest receivable and similar income

	2016 £000	2015 £000
Interest receivable from group undertakings and similar income	6	5
Exchange gains and similar credits	139	31
<b>Interest receivable and similar income</b>	<b>145</b>	<b>36</b>

### 5 Tax on profit

Recognised in the income statement	2016 £000	2015 £000
<b>UK Corporation Tax</b>		
Current tax on income for the year	29	7
Adjustments in respect of previous periods	-	3
<b>Tax on profit</b>	<b>29</b>	<b>10</b>

# INOVYN Sales International Limited

## Notes to the financial statements (continued)

### 5 Tax on profit (continued)

#### Reconciliation of effective tax rate

	2016 £000	2015 £000
<b>Profit before taxation</b>	<b>145</b>	<b>36</b>
Profit before taxation multiplied by the standard rate of tax in the UK of 20.0% (2015: 20.25%)	29	7
Effect of:		
Adjustments in respect of prior years	-	3
<b>Total tax charge</b>	<b>29</b>	<b>10</b>

#### Factors affecting future tax charges

In July 2015, the UK Corporation Tax rate for periods commencing 1 April 2017 was changed from 20% to 19% and for periods from 1 April 2020 from 19% to 18%. In the 2016 Budget, the Government announced a further reduction to the Corporation Tax main rate for the year starting 1 April 2020, setting the rate at 17%.

### 6 Debtors

	2016 £000	2015 £000
Amount owed by group undertakings	794	649

Amounts owed by group undertakings are unsecured, charged at a market interest rate, have no fixed date of repayment and are repayable on demand.

### 7 Creditors – amounts falling due within one year

	2016 £000	2015 £000
Corporation tax – group relief	85	56

No creditors relate to convertible debt.

# NOVYN Sales International Limited

## Notes to the financial statements (continued)

### 8 Called up share capital

	Allotted and fully paid	
	2016 £	2015 £
Ordinary shares of £1 each	100	100

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 Ultimate parent company and ultimate controlling party

The immediate parent undertaking is NOVYN ChlorVinyls Limited, a company registered in England and Wales.

Until 30 June 2015, the ultimate parent company was INEOS AG, a company registered in Switzerland. Until 30 June 2015, the Directors regarded Mr J A Ratcliffe to be the ultimate controlling party by virtue of his shareholding in INEOS AG.

On 1 July 2015, NOVYN Limited, an intermediate parent undertaking issued shares to INEOS Group Investments Limited, an intermediate parent undertaking in exchange for shares in NOVYN Finance plc, an intermediate parent undertaking. On 1 July 2015 NOVYN Limited issued shares to Solvay Chlorovinyls Holding S.a.r.l in exchange for shares in several legal entities from the Solvay group. From this date, the Company's controlling parties were INEOS Group Investments Limited and Solvay Chlorovinyls Holding S.a.r.l by virtue of each party's 50% shareholding in NOVYN Limited.

On 7 July 2016, NOVYN Limited redeemed its class B ordinary shares held by Solvay Chlorovinyls Holding S.a.r.l and following the redemption INEOS Group Investments Limited became the 100% shareholder of NOVYN Limited. From this date the ultimate parent company was INEOS AG, a company registered in Switzerland, and the ultimate controlling party was Mr J A Ratcliffe by virtue of his shareholding in INEOS AG.

On 1 December 2016 the ultimate parent undertaking of the Company became INEOS Limited, a company incorporated in the Isle of Man. The Directors continue to regard Mr J A Ratcliffe as the ultimate controlling party by virtue of his majority shareholding in INEOS Limited.

The smallest and largest group that consolidates the Company's financial statements is NOVYN Limited. The consolidated financial statements of NOVYN Limited are available to the public and may be obtained from the Company Secretary at Runcorn Site HQ, South Parade, PO Box 9, Runcorn, Cheshire, WA7 4JE, United Kingdom.

### 10 Accounting estimates and judgements

#### Taxation

All the Company's operations are in the UK. Management is required to estimate the tax payable and this involves estimating the actual current tax charge or credit together with assessing temporary difference 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 balance sheet of the Company. Management have performed an assessment as to the extent to which future taxable profits will allow the deferred tax asset to be recovered. The calculation of the Company's total tax charge necessarily involves a significant degree of estimation in respect of certain items whose tax treatment cannot be fully determined until resolution has been reached with the relevant tax authority, or, as appropriate, through a formal legal process. Details of amounts recognised with regard to taxation are disclosed in note 5 to the financial statements.