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INEOS Technologies (Vinyls) Limited  
Annual report  
for the period ended 31 December 2010

**Registered Number 7085219**



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INEOS Technologies (Vinyls) Limited  
Annual report  
for the period ended 31 December 2010  
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# INEOS Technologies (Vinyls) Limited

## Directors' report for the period ended 31 December 2010

The Directors present their report and the audited financial statements for the period from incorporation to 31 December 2010 for INEOS Technologies (Vinyls) Limited ("the Company")

### Principal activities and review of the business

The Company is engaged in the licensing of and supply of catalysts and additives for polyvinylchloride (PVC), ethylene dichloride (EDC) and vinyl chloride monomer (VCM) technologies. It also provides technical assistance in engineering design and construction, plant commissioning and research and development support.

The Company was incorporated on 24 November 2009. On 4 December 2009 the Company acquired, from INEOS Vinyls UK Limited, the business of the Company. The acquisition was financed by a related party.

Turnover for the period was €18.7m and the profit on ordinary activities before taxation was €1.2m.

### Share capital

The company was incorporated with an authorised share capital of £100 divided into 100 £1 ordinary shares and an issued and fully paid share capital of £100.

### Review of business and future developments

The directors are of the firm belief that, with the continuing focus on product quality and development, the Company can continue to increase its market share and further improve its financial performance. At the end of the year the Company was well placed to take advantage of the opportunities that are expected to arise in 2011.

### Directors

The Directors who held office during the period and to the date of this report were as follows:

P Q Grant	(appointed 24 November 2009, resigned 11 January 2011)
J P McNally	(appointed 24 November 2009, resigned 30 June 2011)
M S Olavesen	(appointed 24 November 2009, resigned 24 June 2011)
P S Williams	(appointed 24 November 2009)
R N J-C Sanchez	(appointed 18 April 2011)
G Leask	(appointed 27 May 2011)
D Smeeton	(appointed 27 May 2011)

### Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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.

# **INEOS Technologies (Vinyls) Limited**

## **Directors' report for the period ended 31 December 2010 (continued)**


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 to auditors**

Each of the persons who are directors at the date of approval of this report confirms that

- there is no relevant information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.



A Goodswen  
Secretary

**INEOS Technologies (Vinyls) Limited**

**Registered Number 7085219**

*31st August 2011*

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# INEOS Technologies (Vinyls) Limited

## **Independent Auditors' report to the members of INEOS Technologies (Vinyls) Limited**

We have audited the financial statements of INEOS Technologies (Vinyls) Limited for the period from incorporation to 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders' Funds, Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 and 2 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). 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.

### **Scope of the audit of the financial statements**

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.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the period from incorporation to 31 December 2010,
- 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.

# INEOS Technologies (Vinyls) Limited

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the period from incorporation to 31 December 2010 for which the financial statements are prepared is consistent with the financial statements

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- 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, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Paul Christian (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Liverpool

1st September 2011

# INEOS Technologies (Vinyls) Limited

## Profit and loss account for the period ended 31 December 2010

	Note	2010 €'000
Turnover	1	18,731
Cost of sales		(9,716)
<b>Gross profit</b>		<b>9,015</b>
Selling and distribution costs		(564)
Administrative expenses		(6,738)
<b>Operating profit</b>	2	<b>1,713</b>
Net finance income / (costs)	4	(484)
<b>Profit on ordinary activities before taxation</b>		<b>1,229</b>
Tax on profit on ordinary activities	5	(880)
<b>Profit for period</b>	14	<b>349</b>

All results derive from continuing operations


There is no difference between the profit on ordinary activities before taxation and the profit for the period stated above and its historical cost equivalents

# INEOS Technologies (Vinyls) Limited

## Balance sheet as at 31 December 2010

	Note	2010 €'000
<b>Fixed assets</b>		
Intangible assets	6	15,099
Tangible assets	7	1
		15,100
<b>Current assets</b>		
Stocks	9	1,895
Debtors due within one year	10	9,164
Cash at bank and in hand		3,955
		15,014
<b>Creditors – amounts falling due within one year</b>	11	(5,201)
<b>Net current assets</b>		9,813
<b>Total assets less current liabilities</b>		24,913
<b>Creditors – amounts falling due after more than one year</b>	12	(24,168)
		745
<b>Capital and reserves</b>		
Share Capital	13	-
Profit and loss account	14	745
<b>Total equity shareholders' funds</b>		745

The financial statements on pages 5 to 20 were approved by the Board of Directors on 31st August 2011 and are signed on its behalf by

  
G Leask  
Director

INEOS Technologies (Vinyls) Limited

Registered Number 7085219



# INEOS Technologies (Vinyls) Limited

## Statement of total recognised gains and losses for the period ended 31 December 2010

	2010 €'000
Profit for the period	349
Actuarial gain recognised in the pension scheme (Note 16)	542
Movement in deferred tax relating to pension liability	(146)
<b>Total recognised gains for the period</b>	<b>745</b>

## Reconciliation of movements in equity shareholders' funds for the period ended December 2010

	2010 €'000
Profit for the period	349
Actuarial gain recognised in the pension scheme (Note 16)	542
Movement in deferred tax relating to pension liability	(146)
Net increase in equity shareholders' funds	745
Equity shareholders' funds on incorporation	-
<b>Equity shareholders' funds at the end of the period</b>	<b>745</b>

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# INEOS Technologies (Vinyls) Limited

## Accounting policies

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards and the accounting policies set out below

The financial statements are expressed in Euros as the Company primarily generates income, incurs expenditure and has the majority of its assets and liabilities denominated in Euros. The exchange rate at 31 December 2010 was €0.8517 to £1 (2009 €0.8933 to £1)

### Revenue recognition

Revenue represents the sales value of goods and services supplied to customers during the period. It excludes VAT and similar sales based taxes. Revenue is recognised to the extent that the Company obtains the right to receive consideration in exchange for its performance.

In respect of licensing contracts revenue is recognised when a separately identifiable phase of a contract or development has been completed, which has stand alone value. In the case of long term contracts, revenue is calculated by reference to the overall profitability of the contract and appropriate provision is made for any losses in the year in which they are first foreseen.

### Tangible fixed assets and depreciation

Tangible assets are stated at historical purchase cost less any accumulated depreciation.

Depreciation is calculated so as to write off the historic cost of the assets on a straight line basis over their effective lives. The typical effective lives of assets are:

Fixtures, fittings and equipment	-	5 to 10 years
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Any impairment in the value of fixed assets, calculated by discounting estimated future cash flows, is dealt with in the profit and loss account in the period to which the impairment relates.

### Intangible assets

When the fair value of the separable net assets is less than the fair value of the consideration for an acquired undertaking the difference is treated as goodwill and is capitalised and amortised through the profit and loss account on a straight-line basis over its estimated useful life, which is typically 10 years.

### Stocks

Stocks are valued on a weighted average basis and are stated at the lower of cost and net realisable value. Where appropriate the cost of finished goods includes an appropriate proportion of overhead expenses. Where necessary, provision is made for obsolete, slow moving and defective stocks.

### Government grants and similar deferred income

Government grants and similar cash contributions are shown in the balance sheet as deferred income. This income is amortised on a straight line basis over the same period as the tangible fixed asset to which it relates or the life of the related project.

### Deferred taxation

Deferred tax is recognised as a liability or asset in respect of all timing differences which have originated but not reversed at the balance sheet date where transactions or events have occurred at the balance sheet date that will result in an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured at the average tax rates which are expected to apply in the periods during which the timing differences are expected to reverse, based on the tax rates and laws which are in place at the balance sheet date. Deferred tax assets and liabilities are not discounted.

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# INEOS Technologies (Vinyls) Limited

## Accounting policies (continued)

### Pension costs

The Company participates in a pension scheme providing benefits based on final pensionable pay and the assets of this scheme are held separately from those of the Company. The pension scheme is a multi-employer pension scheme for employees of the Company, INEOS Compounds UK Limited and INEOS Vinyls (UK) Limited. INEOS Vinyls (UK) Limited is the principal employer.

The current service cost of pension provision and any costs of benefits relating to past service are charged against operating profit for the year. A charge equal to the increase in present value of the pension scheme liabilities and a credit equal to the long-term expected return on pension scheme assets at the start of the year are included in 'net finance costs' in the profit and loss account. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The pension scheme surplus, to the extent that it is considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet net of the related deferred tax, if appropriate.

The pension liabilities and assets of the Company, INEOS Compounds UK Limited and INEOS Vinyls UK Limited form one pension plan. In general, a full actuarial valuation of this plan is conducted every three years and as a result in the interim years the FRS 17 pension scheme results need to be split on an approximate basis between the Company, INEOS Compounds UK Limited and INEOS Vinyls (UK) Limited. The most recent full actuarial valuation took place as at April 2007.

The method used to allocate the FRS17 liabilities, assets and service cost between entities is as follows:

- The liabilities and assets for Vinyls, Compounds and Technologies have been allocated based on the split of the liabilities as at the most recent full actuarial valuation of the plan (5 April 2007), and allowing for the establishment in November 2009 of INEOS Technologies (Vinyls) Limited and the transfer of employees from Vinyls at that date.
- Other than for recognition of changes due to business acquisitions, disposals or the addition of new participating employers, the same proportionate split following the INEOS Technologies (Vinyls) Limited transfer has been used at all relevant dates.
- The expected 2011 service cost has been allocated based on the ratio of the respective active payroll for each entity versus the total active payroll for the Plan as a whole.
- Employer contributions for the disclosure period have been allocated between entities based on information provided by the participating employers. Employee contributions for 2010 were allocated between entities based on information provided by the Plan's administrators and on active payroll for each entity versus the total payroll for the Plan as a whole. Benefit payments were split between entities based on the split of the pensioner liabilities as at the most recent full actuarial valuation of the Plan (with no allowance for benefit payments made to former employees of INEOS Technologies (Vinyls) Limited).

The Directors believe that this approach represents a reasonable basis of accounting for the scheme. The next full actuarial valuation will be undertaken with an effective date of 5 April 2010.

### Cashflow

Under the terms of FRS 1 (revised 1996) the Company is exempt from preparing a cash flow statement.

### Research and development

Expenditure on research and development is written off when incurred.

### Transactions in foreign currencies

Transactions in foreign currencies are recorded in sterling at the book rate for the current month of account. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported in sterling at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts

### 1. Segmental reporting

The company's turnover and operating profit relate entirely to its principal activity The geographical analysis of turnover is

	2010 €'000
United Kingdom	475
Rest of Europe	4,755
Rest of the World	13,501
	18,731

### 2. Operating profit

Operating profit is stated after charging:

	2010 €'000
Auditors' remuneration	24
Depreciation	1
Amortisation	
Goodwill	1,835
Research & development costs	1,433

### 3. Staff numbers and costs

The average number of people employed by the Company (including Directors) during the period was as follows

Analysis by function	2010 Number
Technical Service	6
Administration	1
Research and development	15
	22

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 3. Staff numbers and costs (continued)

The aggregate payroll costs of these people (including Directors) were as follows

	2010 €'000
Wages and salaries	1,215
Social security costs	106
Other pension costs (Note 16)	196
	1,517

No directors received emoluments during the period

### 4. Net Finance income / (costs)

	2010 €'000
Pension Scheme interest less expected return (Note 16)	(141)
Interest payable on loans from fellow group undertakings	(343)
	(484)

### 5. Tax on profit on ordinary activities

a) Analysis of the charge for the period	2010 €'000
UK Corporation Tax at 28%	926
Deferred taxation – current period	(46)
	880

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 5. Tax on profit on ordinary activities (continued)

#### (b) Factors affecting the tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below

	2010 €'000
Profit on ordinary activities before taxation	1,229
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 28%	344
Effects of	
Expenses not deductible for tax purposes	514
Depreciation in excess of capital allowances	
Pension cost relief in excess of net pension cost charge	68
Current tax charge for period	926

#### (c) Factors which may affect future tax charges

The UK Government announced on 22 June 2010 the gradual reduction in the main rate of corporation tax from 28% to 24% over 4 years from 1 April 2011. In addition they announced a slight reduction in the main capital allowance rate from 20% to 18% from 1 April 2012.

#### (d) Deferred Taxation

Company	2010 Provided €'000
Pensions (Note 16)	424
Total	424

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 6. Intangible assets

<b>Cost</b>	<b>Goodwill €'000</b>
Acquisition of business from INEOS Vinyls UK Ltd	16,934
<b>Accumulated amortisation</b>	
Charge for period	(1,835)
At 31 December 2010	(1,835)
<b>Net Book Value</b>	
At 31 December 2010	15,099

Goodwill arose on the acquisition of the business from INEOS Vinyls UK Limited on 4 December 2009. Assets and liabilities were revalued to fair value and the resulting goodwill is being amortised over ten years.

### 7. Tangible fixed assets

	<b>Plant and machinery €'000</b>
<b>Cost</b>	
Acquisition of business	2
Additions	-
At 31 December 2010	2
<b>Accumulated depreciation</b>	
Charge for period	(1)
At 31 December 2010	(1)
<b>Net book value</b>	
At 31 December 2010	1

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 8. Acquisition of business

On 4 December 2009 the Company acquired the Performance Chemicals and Technology Business division of INEOS Vinyls UK Limited. The consideration for the transfer of the business was a payment of €18,613,252 to Ineos Vinyls UK Ltd.

Details of the net assets acquired by the Company and consideration paid are shown below.

The book and provisional fair value of the assets acquired was:

Company	Book value €'000	Adjustments €'000	Provisional Fair value €'000
Tangible fixed assets	2		2
Stocks	1,863		1,863
Debtors – amounts falling due within one year	3,480		3,480
Creditors – amounts falling due within one year	(2,320)		(2,320)
Pension liability	(1,870)	524	(1,346)
Assets and liabilities	1,155	524	1,679
Consideration	18,613	-	18,613
Goodwill	17,458	524	16,934

Goodwill is capitalised and amortised over 10 years in accordance with the Company's accounting policy on intangible assets. The fair value adjustment represents the recognition of deferred tax assets previously not recognised.

### 9. Stocks

	2010 €'000
Finished goods	1,895
	1,895

### 10. Debtors

Amounts falling due within one year	2010 €'000
Trade debtors	2,808
Amount due from fellow group undertaking	4,240
Amounts owed by related parties	1,139
Other debtors	977
	9,164



# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 11. Creditors – amounts falling due within one year

Amounts falling due within one year	2010 €'000
Trade creditors	1,429
Amounts owed to related parties	934
Corporation tax	926
Other creditors	648
Accruals and deferred income	1,264
	5,201

### 12. Creditors – amounts falling due after more than one year

Amounts falling due within one year	2010 €'000
Amount due to fellow group undertaking	23,022
Pension Liability (note 16)	1,146
	24,168

### 13. Called up share capital

	2010 €
<b>Allotted and fully paid</b>	
100 ordinary shares of £1 each	110

The allotted and fully paid share capital at 31<sup>st</sup> December was GBP 100. The shares were issued at incorporation on 24 November 2009. 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.

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 14. Reserves

	Profit and loss account €'000
At acquisition	-
Profit for the period	349
Actuarial gain in pension scheme	542
Movement in deferred tax relating to pension liability	(146)
<b>At 31 December 2010</b>	<b>745</b>

### 15. Commitments and contingent liabilities

Guarantees and contingencies arising in the ordinary course of business, for which no security has been given, are not expected to result in any material financial loss

### 16. Retirement benefits

The majority of the UK employees participate in the EVC Pension Fund ("The Fund") The Fund is administered by a group of trustees with assets being held separately from the Company Members receive defined benefit pensions that are based on their length of service and final remuneration with the Company

A full actuarial valuation was carried out at 31 December 2007 and updated to 31 December 2010 using the projected unit method by Towers Watson LLP, a qualified independent actuary The major assumptions at 31 December 2010 for FRS17 purposes were

	4 December 2009 % pa	31 December 2010 % pa
Price inflation	3.6	3.6
Discount rate for scheme liabilities	5.7	5.5
Rate of increases in salaries	4.6	4.6
Rate of increase of pensions in payment	3.5	3.5
Rate of increase for deferred pensioners	3.5	2.9

#### Material demographic assumptions

	2009	2010
Expected future lifetime at age 65 for a male currently aged 65	20.6	20.7

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 16. Retirement benefits (continued)

The assets in the scheme and the expected rates of return were

	4 December 2009		31 December 2010	
	Expected rate of return % pa	Fair Value €'000	Expected rate of return % pa	Fair Value €'000
Equities	8.1	3,440		3,713
Bonds	5.1	1,050		1,119
Property	8.1	131		148
Other	4.3	219		989
Total fair value of assets		4,840		5,969
Actuarial value of scheme liabilities		(6,711)		(7,539)
Deficit in the scheme		(1,870)		(1,570)
Related deferred tax asset		524		424
Net pension liability		(1,346)		(1,146)

Reconciliation of present value of scheme liabilities	2010 €'000
At 04 December 2009	(6,711)
Interest cost	(409)
Current service cost	(196)
Actual member contributions	(56)
Exchange gains / losses	(451)
(Loss) / gain on change of assumptions	(128)
Experience gain / (loss)	412
At 31 December 2010	(7,539)

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 16. Retirement benefits (continued)

<b>Reconciliation of fair value of scheme assets</b>	<b>2010 €'000</b>
<b>At 4 December 2009</b>	<b>4,840</b>
Actual Company contributions	221
Actual member contributions	56
Exchange gains / losses	326
Expected return on plan assets	268
Actuarial gain / (loss)	258
<b>At 31 December 2010</b>	<b>5,969</b>

<b>Analysis of the amount charged to operating profit</b>	<b>2010 €'000</b>
Current service cost	196

<b>Analysis of the amount charged to other finance costs</b>	<b>2010 €'000</b>
Expected return on pension scheme assets	(268)
Interest on pension scheme liabilities	409
Net charge	141

<b>Analysis of amounts recognised in the statement of total recognised gains and losses</b>	<b>2010 €'000</b>
Actual return less expected return on pension fund assets	258
Experience gains/(losses) arising on fund liabilities	412
(Losses) / gains on change of financial and demographic assumptions	(128)
Actuarial gain recognised in the statement of total recognised gains and losses	542

# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 16. Retirement benefits (continued)

<b>Movement in deficit during the period</b>	<b>2010 €'000</b>
Deficit in the fund at 4 December 2009	(1,870)
Contributions paid	221
Current service cost	(196)
Other finance costs	(141)
Exchange gains / losses	(126)
Actuarial gain	542
Deficit in the fund at 31 December 2010, before allowance for deferred tax	(1,570)

<b>History of experience gains and losses</b>	<b>2010</b>
Difference between the actual and expected return on fund assets	
Amount	€258k
% of fund assets at 31 December 2010	4.3%
Experience gains/(losses) on fund liabilities	
Amount	€412k
% of fund liabilities at 31 December 2010	5.5%
Total actuarial loss recognised in the statement of total recognised gains and losses	
Amount	€542k
% of fund liabilities at 31 December 2010	7.2%

### 18. Related party transactions

The Company is related to other companies within the INEOS Limited and INEOS AG groups by virtue of common control. The Company is exempt under the terms of Financial Reporting Standard Number 8 "Related Party Transactions" from disclosing related party transactions with entities which are part of the INEOS Limited group.

There were no material trading transactions with other related parties during the period.

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# INEOS Technologies (Vinyls) Limited

## Notes to the accounts (continued)

### 19. Parent Company and Ultimate Controlling Party

The immediate parent company is INEOS Vinyls Limited

As at 31 December 2010, the ultimate parent undertaking was INEOS AG, a Swiss Corporation

INEOS Limited, an intermediate parent undertaking, was the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2010. INEOS Limited is a company registered in England and Wales. Copies of the financial statements of INEOS Limited can be obtained from the Company Secretary, INEOS Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The ultimate controlling party is Mr J A Ratchiffe, director and majority shareholder of the ultimate parent company.

### 20. Post Balance Sheet Event

The company has entered into various agreements with a related party effective 1st April 2011 under which the Company will provide certain services to the related party and act as a distributor of technology licences for the production of ethylene di-chloride, vinylchloride monomer and polyvinylchloride production and associated catalysts, additives and equipment.