Imperial Chemical Industries Limited

Directors' Report and Financial Statements

Registered number 218019

31 December 2014

Contents

Strategic Report

The directors present their Strategic Report, Directors' Report and the audited financial statements for the year ended 31 December 2014.

Principal activities

The principal activities of the Company are research, manufacture and sale of decorative paints. The Company is also an investment holding company and manages legacy matters relating to former businesses and assets currently owned or previously owned by the ICI Group.

Business review

The Company's paints business is part of the AkzoNobel Decorative Paints European Business Unit. Full information on the strategy of the Business Unit can be found in the Annual Report and Accounts of the ultimate parent company, Akzo Nobel N.V., copies are available as indicated in Note 25 of the financial statements.

UK Paints Business

Overview

The ICI Paints business manufactures, distributes and sells directly a full range of interior and exterior decoration and protection products for both the professional and do-it-yourself ("DIY") markets within the UK. The business operates under brands such as Dulux®, Dulux Trade®, Cuprinol®, Polycell®, Hammerite®, Armstead®, Sikkens® and International®. The Company prides itself on product innovation and continues to invest and bring new products to market.

Strategic Transformation

As announced in 2013 and disclosed in the AkzoNobel 2013 annual report a new strategy has been adopted. As part of the Decorative Paints European Business Unit the strategy is called "Fix Europe". This consists of a complete business process redesign across the business – driving standardisation and focusing the countries to concentrate on sales and marketing. The redesign process should result in increased sales and a reduction of costs through the standardisation of processes.

The UK is a key pillar in the Decorative Paints Business Unit and is part of the redesign. The Company entered into the new business process arrangements and completed the sale of the intellectual property on 1 October 2014. Following the implementation of the new strategy the Company became a limited risk distributor, selling AkzoNobel Decorative Paints products and also a fixed return toll manufacturer of finished products on behalf of a group company.

By entering into the redesign the Company intends to remove future risk by guaranteeing a fixed return on sales for its sales and marketing activities and a fixed mark up on both its toll manufacturing and research and development activities, in order to mitigate the risks arising from any future economic downturn.

As part of the transaction the Company sold the legal and beneficial rights to its Decorative Paints brands including Dulux®. The agreed sales price was £585m and as the brands are not recorded on the Company's balance sheet the transfer resulted in a one off gain of £585m in 2014.

Operational performance

The UK domestic decorative coatings market grew in 2014 with strong growth coming in the professional end-user channel. This had a positive impact on the Company's financial performance as UK revenue increased. This increase was offset by a decline in sales to other group companies outside the UK following the implementation, of the new business model outlined above on 1st October 2014, and this is also reflected in the decline in gross profit.

Operating expenses have been controlled and with the one-off gain from the sale of the brands, profit has increased during the year.

Strategic Report *(continued)*

Slough Manufacturing

In July 2011 the Company announced plans to build a world class, hi-tech manufacturing facility in the north-east of England, reinforcing its strategic commitment to accelerated and sustainable growth. The custom-built Decorative Paints site is designed to enable the Company to deliver the most efficient supply chain operations, reduce operating working capital and accelerate its response to changing market and customer demands. The planned new facility will be in Ashington, Northumberland and is anticipated to be operational during 2016.

The proposal includes the closure of the Company's manufacturing operation in Slough and the closure of an indirectly held subsidiary's operations in Prudhoe. Production at the two sites will be maintained at the required levels prior to the operations being transferred. It is intended that Slough will remain the headquarters of the UK decorative paints business and for the wider global AkzoNobel Decorative paints research and development laboratories.

Accelerated depreciation of £2m has been provided during the year to write-off the cost of the Slough manufacturing plant, over the period from 1 September 2011 to 31 December 2015, to its estimated residual value at the closure of the manufacturing plant.

Sustainability

Sustainability remains a key driver to the Company and also a key pillar in the overall strategy of the AkzoNobel Group. The AkzoNobel group in 2014 was ranked number one on Chemical super sector of the Dow Jones Sustainability index. All of the Company's manufacturing sites are certified to International Standard ISO 14001 and the Company continues to hold the Carbon Trust Standard.

The Company continued to comply with the UK Government's mandatory Carbon Reduction Commitment scheme, reporting lower CO_2 emissions in the year 2014/13 compared to 2013/12.

Key Performance Indicators

The Company assesses business performance over many indicators; both stand alone and also as a key part of the Decorative Paints European Business Unit. Full analysis of this business unit is provided in the annual report of Akzo Nobel N.V. as indicated above.

Indicator	2014	2013	Delta
Turnover	£460m	£470m	-£10m
Gross Margin	45.2%	47.6%	-2.4%

Turnover includes both third parties and intercompany sales.

Further information on the Company's decorative paints business can be found at www.dulux.co.uk

Other Company Activities

Other Operating Income

Other operating income for continuing operations during the year of £12m relates mainly to royalties received from within the AkzoNobel group.

Research and development

The Company carries out research and development in support of existing activities, specific new product development and the improvement of production processes.

Strategic Report *(continued)*

Group Holdings

On 30 January 2014, the Company 100% wholly owned subsidiary, ICHEM Insurance Company Limited which had been placed into Members' Voluntary Liquidation, was dissolved.

Key risks and uncertainties

The main risks and uncertainties relating to the business are a downturn in the UK economy, specifically in relation to both home decoration and commercial construction. The Company is also affected by any changes in the future valuation of the two defined benefit pension schemes of which the Company is the principal employer.

For both of these risks and uncertainties the Company benefits by being part of the wider AkzoNobel group and Akzo Nobel N.V., the Company's ultimate parent undertaking, has provided notification that it shall continue to provide financial and other support to the Company for a period of at least twelve months from the date of approval of these financial statements and thereafter for the foreseeable future to enable it to continue to trade.

Future Developments

ICI Pension Fund

The Company is the principal employer of the ICI Pension Fund ("ICIPF"), a multi-employer defined benefit schemes (see note 24). In March 2014 the trustees of the scheme entered into two annuity buy-in agreements in line with their strategy of de-risking the fund which is supported by the Company and the Akzo Nobel group. The two agreements are with Legal and General plc and Prudential Retirement Income Limited and cover in aggregate £3.6 billion of pensioner liabilities, which is broadly equivalent to one third of the ICIPF liabilities.

In June 2014 the Company concluded the 2014 tri annual valuation. The contribution rate and top up contributions affecting the Company during the year were set at the 2011 full actuarial valuation and for following years set at the 2014 full actuarial valuation. Full disclosures of the results of the valuations are contained in note 24.

Going Concern

Akzo Nobel N.V., the Company's ultimate parent undertaking, has provided notification that it shall continue to provide financial and other support to the Company for a period of at least twelve months from the date of approval of these financial statements and thereafter for the foreseeable future to enable it to continue to trade. On this basis the directors, having made appropriate enquiries, consider that the Company has adequate resources to continue in operational existence for the foreseeable future, and it is therefore appropriate to adopt the going concern basis in preparation of the financial statements.

15/12/15

M. Pullen
Director

26th Floor, Portland House
Bressenden Place
London
SW1E 5BG

15 December 2015

Directors' Report

Results and dividends

The results for the year ended 31 December 2014 are set out on page 7 of the financial statements. The directors did not pay an interim dividend during the year (*2013: £nil*). The directors do not recommend the payment of a final dividend (*2013: £nil*).

Post Balance Sheet Events

On 20 March 2015, the Company's indirectly owned subsidiary, ICI Funding Limited, which had been placed into Members' Voluntary Liquidation, was dissolved. On 5 May 2015, Canliq 2 Limited (formerly Dulux Limited) was voluntarily struck-off from the Register at Companies House. On 22 May 2015, the Company's 49% owned joint venture, I.C. Insurance Holdings Limited, sold its 100% owned subsidiary I.C. Insurance Limited to Randall & Quilter Investment Holdings Limited.

Directors

The directors who held office during and subsequent to the year were as follows:

Diarmuid Conifrey	Resigned 31 December 2014
Bart Kaster	
O.H. Director Limited	Resigned 25 February 2015
Matthew Pullen	Appointed 30 January 2014
Dominic Rivers	Appointed 20 January 2015
Michael Smalley	
Raymond Sparks	
David Turner	Appointed 25 February 2015, resigned 23 April 2015
Guy Williams	Resigned 30 January 2014

Employees

The Company's policy is to consider all job applications by disabled persons sympathetically in relation to the duties, responsibilities and physical requirements of the vacancies, the aptitudes of the applicants, including the nature of the disability, the working environment and the facilities required for the effective performance of the job by the applicant.

If any existing employee becomes disabled, the Company will examine any effects of the disability on current job performance and take all practicable steps to maintain the employees' continued employment through the provision of appropriate retraining, changes in working facilities or, with mutual agreement, the provision of alternative employment more closely related to the employees' capabilities.

The Company will continue to identify and monitor the employment of Registered Disabled persons to determine its position in relation to the current statutory requirements.

Auditor

On 25th February 2014, KPMG Audit Plc resigned as auditor, pursuant to Section 516 of the Companies Act 2006. On the same date, the Members appointed KPMG LLP pursuant to Section 485(4)(C) of the Companies Act 2006 to fill the casual vacancy as auditor of the Company. KPMG LLP will remain in office until the next period for appointing auditors.

Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board

M. Pullen
Director

15/12/15

26th Floor, Portland House
Bressenden Place
London
SW1E 5BG
15 December 2015

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Imperial Chemical Industries Limited

We have audited the financial statements of Imperial Chemical Industries Limited for the year ended 31 December 2014 set out on pages 7 to 25. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report, the Directors' Report for the financial year 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Paul Sawdon (Senior Statutory Auditor) 16 December 2015
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

Profit and loss account
for the year ended 31 December 2014

	Note	**2014** **£m**	2013 £m
Turnover			
Continuing operations	*2*	**460**	470
Cost of sales	*4*	**(252)**	(246)
Gross profit	*4*	**208**	224
Distribution costs		**(126)**	(90)
Research & development costs		**(8)**	(11)
Administrative expenses		**(147)**	(163)
Amounts written off investments		**(3)**	(2)
Other operating income		**5**	15
Other operating expense		**-**	-
Operating loss			
Continuing operations	*3,4,10,11*	**(71)**	(30)
Discontinued operations	*4*	**-**	3
		(71)	(27)
Profit on disposal of investments	*5*	**-**	8
Profit on disposal of intangible assets	*6*	**585**	-
Income from shares in group undertakings	*7*	**20**	32
Other interest receivable and similar income	*8*	**47**	56
Interest payable and similar charges	*9*	**(1)**	(8)
Profit on ordinary activities before taxation		**580**	61
Tax on profit on ordinary activities	*12*	**6**	(3)
Profit after taxation and for the financial year		**586**	58

The notes on pages 10 to 25 form part of these financial statements.

There were no recognised gains or losses in either year other than those dealt with in the profit and loss account.

Balance sheet
at 31 December 2014

	Note	**2014**		2013	
		£m	**£m**	£m	£m
Fixed assets					
Tangible assets	*13,26*	**173**		133	
Investments	*14*	**3,803**		3,834	
			3,976		3,967
Current assets					
Stocks	*15*	**1**		33	
Debtors: including £585m due after one year (2013: *£nil*)	*16, 19*	**3,391**		3,466	
Cash at bank and in hand		**3**		5	
		3,395		3,504	
Creditors: amounts falling due within one year	*17*	**(3,275)**		(3,954)	
Net current assets/(liabilities)			**120**		(450)
Total assets less current liabilities			**4,096**		3,517
Provisions for liabilities	*18*		**(55)**		(62)
Net assets			**4,041**		3,455
Capital and reserves					
Called up share capital	*20*		**1,209**		1,209
Share premium account	*21*		**940**		940
Profit and loss account	*21*		**1,892**		1,306
Shareholders' funds			**4,041**		3,455

The notes on pages 10 to 25 form part of these financial statements.

These financial statements were approved by the board of directors on 15 December 2015 and were signed on its behalf by:

M. Smalley
Director

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2014

	2014	2013
	£m	£m
Profit for the financial year	**586**	**58**
Expired unclaimed dividends	**-**	**-**
Net increase in shareholders' funds	**586**	**58**
Opening shareholders' funds	**3,455**	**3,397**
Closing shareholders' funds	**4,041**	**3,455**

The notes on pages 10 to 25 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 "Cash Flow Statements" the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As 100% of the Company's voting rights are controlled within the group headed by Akzo Nobel N.V., the Company has taken advantage of the exemption contained in Financial Reporting Standard 8 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the group.

Full disclosures of the financial risks facing the Company are included in the consolidated financial statements of Akzo Nobel N.V.

Going Concern

Akzo Nobel N.V., the Company's ultimate parent undertaking, has provided notification that it shall continue to provide financial and other support to the Company for a period of at least twelve months from the date of approval of these financial statements and thereafter for the foreseeable future to enable it to continue to trade. On this basis the directors, having made appropriate enquiries, consider that the Company has adequate resources to continue in operational existence for the foreseeable future, and it is therefore appropriate to adopt the going concern basis in preparation of the financial statements.

Investments

Investments in subsidiary undertakings, associates and joint ventures are stated at their cost to the Company less provisions to reflect any diminution in value, which the directors consider to be of a permanent nature.

Depreciation

The Company's policy is to write off the book value of each tangible fixed asset excluding land to its residual value evenly over its estimated remaining life. Reviews are made annually of the estimated remaining lives of individual productive assets, taking account of commercial and technological obsolescence as well as normal wear and tear. Under this policy, the lives approximate to 30 years for buildings, 13 years for plant and equipment and 4 to 5 years for computer software. Depreciation of assets qualifying for grants is calculated on their full cost. No depreciation has been provided on freehold land. Impairment reviews are performed where there is an indication of potential impairment. If the carrying value of an asset exceeds the higher of the discounted estimated future cash flows and net realisable value of the assets, the resulting impairment is charged to the profit and loss account.

Accelerated depreciation has been provided to write off the cost of the Slough Manufacturing plant, over the period from 1 September 2011 to 31 December 2015, to its estimated residual value at the end of its current useful economic life or closure of the factory, whichever is earlier.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes *(continued)*

1 Accounting policies *(continued)*

Operating Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Research and development expenditure

Expenditure on research and development is charged to profit in the year in which it is incurred.

Stocks

Finished goods, raw materials and other stocks are stated at the lower of cost and net realisable value. The first in, first out or an average cost method of valuation is used. In determining cost for stock valuation purposes, depreciation is included but selling expenses and certain overhead expenses are excluded. Following the implementation of the Company's new business model the Company will no longer own stocks as will toll manufacture on behalf of a central decorative paints company in the Netherlands.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19 "Deferred Tax".

Deferred tax assets are recognised on losses to the extent that future probable taxable profits will be available against which the deferred tax asset can be utilised.

Turnover

Turnover represents the fair value of consideration received and receivable for goods and services supplied to customers after deducting sales allowances, rebates and value added taxes. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the customer, the revenue can be measured reliably and collectability is reasonably assured.

Following the implementation of the Company's new business model on 1 October 2014 the Company will now only record third party and intercompany sales within the UK.

Cost of Sales

Following the implementation of the Company's new business model on 1 October 2014 the Company operating model is as follows;

1) Limited Risk Distributer - the Company will sell finished AkzoNobel decorative paints products earning a targeted return of sales margin after all sales costs. The cost of sales of the sold finished goods is set based on this agreed targeted sales margin.
2) Toll manufacturer of finished products – the Company will manufacture finished goods on behalf of a central decorative paints company in the Netherlands on a fixed 10% cost plus margin – with the net production cost recorded in cost of sales.

Post-retirement benefits

The Company participates in group wide pension schemes providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Financial Reporting Standard 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period (see note 24).

The Company also participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered scheme (see note 24).

Notes *(continued)*

1 Accounting policies *(continued)*

Disposal provisions

The Company is exposed to certain liabilities when businesses are divested and disposal provisions are created as part of the gain or loss on disposal calculation. Typical costs include pension liabilities, environmental costs transaction costs and separation costs. Provisions are only established when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The Company reviews its disposal provisions regularly to determine whether they accurately reflect the present obligations of the Company based on the latest available facts.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Company's control or are present obligations arising from past events that are not recognised as it is not probable a transfer of economic benefits will occur or the amount cannot be measured with sufficient certainty. The Company reviews its obligations regularly.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Analysis of turnover

The majority of the Company's business operations are within one business segment, Decorative Paints and one geographic segment, the UK. Therefore, the profit and loss account reports the segmental information of the Company.

3 Notes to the profit and loss account

	2014	2013
Profit/(loss) on ordinary activities before taxation is stated after charging:	**£m**	£m
Auditors' remuneration: audit of these financial statements (see below)	**-**	-

The auditors' fee for audit of these financial statements was £70,000 (*2013: £70,000*).

4 Analysis of continuing and discontinued operations

	2014			2013		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£m	**£m**	**£m**	£m	£m	£m
Turnover	**460**	**-**	**460**	470	-	470
Cost of sales	**(252)**	**-**	**(252)**	(246)	-	(246)
Gross profit	**208**	**-**	**208**	224	-	224
Distribution costs	**(126)**	**-**	**(126)**	(90)	-	(90)
Research & development costs	**(8)**	**-**	**(8)**	(11)	-	(11)
Administrative expenses	**(147)**	**-**	**(147)**	(163)	-	(163)
Amounts written off investments	**(3)**	**-**	**(3)**	(2)	-	(2)
Other operating income	**5**	**-**	**5**	12	3	15
Operating loss	**(71)**	**-**	**(71)**	(30)	3	(27)

During the year restructuring related severance costs of £2m (2013: *£2m)* were recorded in equally in administrative and distribution expenses (2013: *administrative expenses*).

Notes *(continued)*

5 Profit on disposal of investments

	2014	2013
	£m	£m
Profit on disposal of group undertakings	**-**	8

In the prior year the Company liquidated a directly owned subsidiary, Hatchpoint Limited, with a net book value of £24m. The Company received liquidation proceeds of £30m recording a £6m profit on liquidation.

The Company also during the prior year released a sundry provision of £2m in respect of the fine imposed by the European Commission in 2006 relating to the Company's ownership of the ICI Acrylics business. The fine was paid in full in August 2012.

6 Profit on disposal of intangible assets

	2014	2013
	£m	£m
Profit on disposal of intangible assets	**585**	-

During the year the Company sold the legal and beneficial rights to its Decorative Paints brands including Dulux®. The agreed sales price was £585m and as the brands are not recorded on the Company's balance sheet the transfer resulted in a one off gain of £585m in 2014.

7 Income from shares in group undertakings

	2014	2013
	£m	£m
Income from shares in group undertakings	**20**	32

8 Other interest receivable and similar income

	2014	2013
	£m	£m
Interest receivable from group undertakings	**47**	53
Net exchange gains	**-**	3
	47	56

9 Interest payable and similar charges

	2014	2013
	£m	£m
Interest payable to group undertakings	**-**	(8)
Net exchange losses	**(1)**	-
	(1)	(8)

Notes *(continued)*

10 Remuneration of directors

	2014	2013
	£000	£000
Directors' emoluments in respect of qualifying services	**745**	984
Amounts receivable under long term incentive schemes	**152**	202
Company contributions to money purchase pension schemes	**43**	75
Company contributions to final salary pension schemes	**73**	57

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director in respect to qualifying services was £326,000 *(2013: £419,000)*. Company pension contributions of £73,000 *(2013: £52,000)* were made to a final salary scheme (2013: *money purchase scheme*) on behalf of the highest paid director in respect of qualifying services.

	Number of directors	
	2014	2013
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	**1**	**3**
The number of directors who exercised share options in the ultimate parent company	**3**	**2**
The number of directors in respect of whose services, shares in the ultimate parent company were received or receivable under long term incentive schemes	**2**	**3**

11 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year was 916 (*2013:* 925). The aggregate payroll costs of these persons were as follows:

	2014	2013
	£m	£m
Wages and salaries	**60**	63
Social security costs	**7**	7
Pension costs (see note 24)	**131**	104
Restructuring costs	**2**	2
	200	176

During the year restructuring related severance costs of £2m (2013: *£2m*) were recorded in equally in administrative and distribution expenses (2013: *administrative expenses*).

In January 2012 the Company concluded the tri-annual valuation of the ICI Pension Fund ("ICIPF") as at 31 March 2011. As per the agreed deficit recovery plan a top up contribution of £113.5m (2013: *£80m*) was charged to the Company (see note 24).

Notes *(continued)*

12 Taxation

Analysis of charge in period

	2014	2014	2013	2013
	£m	£m	£m	£m
UK corporation tax				
Current tax credit/(charge) for the period		-		-
Other				
Prior year adjustment	6		(3)	
		6		(3)
Total current tax credit/(charge)		6		(3)
Deferred tax (see note 19)				
Origination/reversal of timing differences	(6)		(1)	
Losses carried forward	12		5	
De recognition of deferred tax asset	(6)		(4)	
Total deferred tax charge		-		-
Total tax credit/(charge)		6		(3)

Factors affecting the tax charge for the current period

The current tax charge for the period is different than the standard rate of corporation tax in the UK 21.5% (*2013: 23.25%*). The differences are explained below.

	2014	2013
	£m	£m
Current tax reconciliation		
Profit on ordinary activities before tax	580	61
Current tax at 21.5 % *(2013: 23.25 %)*	(125)	(14)
Effects of:		
Income not taxable – dividend income	4	7
Income not taxable – other income	-	1
Income not taxable – profit on disposal of intangible	126	-
Net provision movements	-	1
Prior year adjustment	6	(3)
Pension spreading	9	9
Expenses not deductible for tax purposes – amounts written off investments	(1)	-
Expenses not deductible for tax purposes – other disallowables	(1)	-
Tax losses not recognised	(12)	(4)
Total tax credit/(charge) (see above)	6	(3)

Deferred tax assets are only recognised on losses to the extent that future probable taxable profits will be available against which the deferred tax asset can be utilised. Based upon future taxable profit forecasts of the Company, a current year deferred tax asset of £6m (2013: *£4m*) was de-recognised.

The Company also has significant unrecognised capital losses which can only be utilised for certain capital transactions. Any future taxable capital gain, should it fulfil the applicable tax criteria, will be covered by these losses. In 2014 and as disclosed in the strategic report, a capital gain was generated upon the sale of the Company's brands and the respective capital gain will be covered by the utilisation of unrecognised capital losses.

Notes *(continued)*

12 Taxation (continued)

Franked Investment Income Litigation

The Company is a member of a group litigation in the UK, known as the Franked Investment Income GLO, against HMRC. The GLO collects claims made by 25 corporate groups in the UK High Court seeking the repayment of advance corporation tax ("ACT") and tax on dividend income on the basis that its levy by the UK was contrary to EU law. The Company's claim covers the period 1975 to 1997 and both the Company's claim and the GLO commenced in 2003. A test case was selected from the members of the GLO to proceed to trial on a representative basis; this test case was not the Company's claim.

Following issuance of guidance in December 2006 by the European Court of Justice ("ECJ"), the UK High Court in November 2008 found in favour of the claimants on certain key aspects of the claim. The judgement concluded, inter alia, that dividends received from EU subsidiaries should be, and should always have been, effectively exempt from UK taxation. It also concluded that certain dividends received from EU subsidiaries before 5 April 1999 and, in some limited circumstances, after 1993 from outside the EU, should have been treated as franked investment income, with the consequence that ACT need not have been paid. The judgement was appealed by HMRC. Following this UK High Court judgement, the Company, along with other members of the GLO, applied for and received in August 2009 an interim payment of approximately £64m, made up of interest and reclaimed ACT.

The appeal was heard by the Court of Appeal in October 2009 and the judgement was given in February 2010 mainly in favour of HMRC, following which HMRC appealed against the payments of interim payment awards. Those appeals by HMRC were dismissed by the Court of Appeal in January 2012. The judgement restricted claims retrospectively to tax paid within 6 years of the issue of the claim and not cover claims dating back to 1973. The Company's claim however included sufficient payments of tax within that period which would still have been regarded as unlawful under the High Court's judgment. Accordingly, the Company retained the interim payment on the grounds that its claim could be restructured such that a similar interim payment would be due to the Company.

The issue of the 6 year time limit was heard by the UK Supreme Court in February 2012 and, in May 2012, decided in favour of the principal test claimant that claims submitted before 8 September 2003, which includes the Company's, can go back to 1973.

The Court of Appeal February 2010 judgement also determined that various questions should be referred back to the ECJ for further clarification which took place in February 2012. An ECJ judgement was made in November 2012 which confirmed that the UK treatment of EU dividends was discriminatory. The judgement includes third country dividends from 1994 in certain circumstances; it also confirms that the claim can cover dividends from all indirect as well as direct EU subsidiaries and also ACT paid by a superior holding company.

The case then reverted to the UK High Court to apply the November 2012 ECJ judgement with the trial held in May and June 2014. The UK High Court issued its rulings in December 2014 generally in the favour of the test claimant, however the case was then immediately appealed to the UK Supreme Court which is not expected to be heard until at least 2016; it should be noted that the final ruling will be based upon the case of the test claimant. Following any ruling on the test case, the Company's claim would need to be reviewed and tested by HMRC. The specific facts of the Company's claim may be different from the test claimant.

Given the continuing complexity of the case and the uncertainty over the issues raised, it is not possible to predict the final outcome of the litigation with a reasonable degree of certainty or to reliably quantify its impact. As a result, no further tax income can currently be recognised.

Notes *(continued)*

12 Taxation *(continued)*

Factors that may affect future current and total tax charges

In the Autumn 2012 Budget statement a Corporation tax rate change was announced reducing the rate from 23% to 21% effective 1 April 2014 and in the budget of March 2013 this 21% rate was further reduced to 20% effective from 1 April 2015. Both of these changes were substantively enacted on 2 July 2013 and therefore the effective current tax rate applicable during 2014 was 21.5% and any deferred tax asset at 31 December 2014 is recorded at 20%.

In the Summer 2015 Budget statement a Corporation tax rate change was announced reducing the rate from 20% to 19% effective 1 April 2017, with a further reduction to 18% effective 1 April 2020. Neither of these changes were substantively enacted at the balance sheet date but will reduce the current tax charge and any deferred tax asset of the Company in the future.

13 Tangible fixed assets

	Land and buildings £m	**Plant and machinery** £m	**Payments on account and assets in course of construction** £m	**Total** £m
Cost				
At beginning of year	18	226	98	342
Additions	-	5	47	52
Disposals & other movements	(1)	(1)	-	(2)
Transfer of assets into use	-	2	(2)	-
At end of year	17	232	143	392
Depreciation				
At beginning of year	(12)	(197)	-	(209)
Charge for year	-	(10)	-	(10)
Disposals & other movements	-	-	-	-
At end of year	(12)	(207)	-	(219)
Net book value				
At 31 December 2014	**5**	**25**	**143**	**173**
At 31 December 2013	6	29	98	133

Accelerated depreciation of £2m has been provided during the year to write off the cost of the Slough manufacturing plant, over the period from 1 September 2011 to 31 December 2015, to its estimated residual value at the closure of the manufacturing plant.

The net book value of land and buildings comprises:

	2014 £m	2013 £m
Freehold	**5**	6

Notes *(continued)*

14 Fixed asset investments

	Shares	Participating Interests	Loans	Total
Cost	£m	£m	£m	£m
At beginning of year	3,929	12	-	3,941
Additions	6	-	-	6
Disposals	(34)	-	-	(34)
At end of year	3,901	12	-	3,913
Provisions				
At beginning of year	(107)	-	-	(107)
Provided in year	(3)	-	-	(3)
At end of year	(110)	-	-	(110)
Net book value				
At 31 December 2014	**3,791**	**12**	**-**	**3,803**
At 31 December 2013	3,822	12	-	3,834

The directors have reviewed the carrying amount of the Company's investments and have recorded an impairment of £3m (2012: *£2m*) in ICHEM Reinsurance Company Limited (Cayman Islands) to ensure that the net book value of investments at the balance sheet date does not exceed the estimated recoverable amount of the shares in group undertakings.

On 30 January 2014, the Company 100% wholly owned subsidiary, ICHEM Insurance Company Limited was dissolved.

Shares in directly held subsidiary undertakings which are listed investments have a balance sheet value of £28m (*2013: £28m*) and a market value at 31 December 2014 of £322m (*2013: £193m*).

The Company's investment in its subsidiary undertakings consist of either equity or loans where repayment is not currently intended. Other balances are included in either debtors or creditors and are classed as current or noncurrent depending on the date of repayment. No loans are currently recorded as investment in subsidiaries.

The companies, in which the Company's interest at 31 December 2014 is more than 20%, are disclosed in note 26.

Notes *(continued)*

15 Stocks

	2014 £m	2013 £m
Raw materials and consumables	-	5
Work in progress	-	2
Finished goods and goods for resale	1	26
	1	33

16 Debtors

	2014 £m	2013 £m
Amounts owed by group undertakings: due in less than one year	2,775	3,439
Amounts owed by group undertakings: due in greater than one year	585	-
Trade debtors	12	9
Other debtors	18	16
Deferred tax assets (see note 19)	-	-
Prepayments and accrued income	1	2
	3,391	3,466

17 Creditors: amounts falling due within one year

	2014 £m	2013 £m
Trade creditors	50	75
Amounts owed to group undertakings	3,190	3,835
Bank overdrafts	-	-
Other creditors	35	44
	3,275	3,954

Notes *(continued)*

18 Provisions for liabilities

	Disposal and legacy provisions £m	Restructuring provisions £m	Other provisions £m	Total £m
At beginning of year	44	14	4	62
Profit and loss account	1	4	(2)	3
Utilised during year	(7)	(2)	(1)	(10)
At end of year	**38**	**16**	**1**	**55**

Disposal and legacy provisions

Provisions relate to disposals, long term residual activities and pension administration costs. The nature of these provisions is such that the related expenditure is expected to occur over the period from 2015 to at least 2030.

Restructuring provisions

During the year the Company provided £2m in relation to employee costs associated with restructuring activities within the Decorative paints business and are recorded in administrative expenses and distribution costs (see note 10).

Other Provisions

These include provisions for surplus real estate leases plus other operational liabilities.

19 Deferred tax

Deferred tax assets are recognised to the extent that future probable taxable profits will be available against which the deferred tax asset can be utilised and based upon future taxable profit forecasts the Company has not recognised a deferred tax asset.

As at 31 December 2014, based upon a deferred tax rate of 20%, £120m of deferred tax assets have not been recognised on the basis that there are insufficient forecast taxable profits in the Company against which they can be used. The deferred tax asset is in respect of;

	2014 £m	**2013 £m**
Losses carried forward	**73**	**77**
Fixed assets	**28**	**26**
Restructuring provisions/business provisions/other	**19**	**27**
	120	**130**

Notes *(continued)*

20 Called up share capital

	2014	2013
	£m	£m
Allotted, called up and fully paid		
1,209,327,168 (*2012: 1,209,327,168*) ordinary shares of £1 each	**1,209**	1,209

All share capital is classified as equity shareholders' funds.

21 Share premium and reserves

	Share capital	**Share premium account**	**Profit and loss account**	**Total**
	£m	£m	£m	£m
At beginning of year	1,209	940	1,306	3,455
Profit for the year	-	-	586	586
At end of year	**1,209**	**940**	**1,892**	**4,041**

22 Contingent liabilities

Contingent liabilities existed at 31 December 2014 in connection with banking facilities and guarantees relating to pension funds, including the solvency of pension funds (see note 24). Following the acquisition by Akzo Nobel N.V. most guarantees have had an additional parent company guarantee from Akzo Nobel N.V.

The Company participates in a cash pooling arrangement with certain other group companies. This arrangement allows the Company to draw upon or credit amounts to a separately designated facility within a cash pool account in the name of Akzo Nobel Coatings (BLD) Limited. The Company operates the facility as if it were the Company's own bank account, however, the Company has no legal title. Accordingly the amounts have therefore been included within amounts owed by group companies rather than cash at bank.

All parties to the arrangement are jointly and severally liable to the bank for any overdraft thereon. At 31 December 2014 the credit position of this group cash pool was £1.1m *(2013: £0.3m credit).*

Included within amounts owed by group undertakings is £0.7m *(2013: owed by group undertakings £0.5m)* in respect of the Company's share of the account.

Notes *(continued)*

23 Commitments

Capital commitments at the end of the financial year, for which no provision has been made, are as follows:

	2014	2013
	£m	£m
Authorised and contracted for	**41**	27

24 Pension schemes

The Company operates both defined contribution and multi-employer defined benefit schemes for its employees.

ICI Pension Fund

The Company participates in the ICI Pension Fund ("the ICIPF") providing benefits based on final pensionable pay.

The ICIPF is a multi-employer scheme in which the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis and, as permitted by FRS 17 "Retirement benefits", the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme.

At the balance sheet date the latest full actuarial valuation was carried out as at 31 March 2011 by a qualified independent actuary. At this valuation the market value of the scheme assets on a funding basis was sufficient to cover 88% (*31 March 2008: 85%*) of the benefits that had accrued to members at that date.

The contribution rate is generally reviewed every three years following each full actuarial valuation of the scheme. For 2014 the applicable regular contribution rate was 38.5% of pensionable pay.

The total contribution made by the Company excluding annual top ups was £7m *(2013: £8m).*The Company also paid pension administration and investment management fees of £7m (2013: *£7m*) with a corresponding profit and loss charge of £3m (2013: *£3m).*

The AkzoNobel group also made additional top up contributions of £178.5m during the year (*2013: £135m*). The portion of the additional contribution charged to the Company for 2014 was £113.5m (*2013: 80m).*

The 2014 tri annual valuation was concluded in June 2015. At this valuation the market value of the scheme assets on a funding basis was sufficient to cover 91% (*31 March 2011: 88%*) of the benefits that had accrued to members at that date.

Following this valuation additional top up contributions of £978m were agreed to be made between 2015 and 2021. The portion of this contribution to be charged to the Company is as yet unknown.

The contribution rate that was agreed following this valuation and effective from July 2015 was set at 56.1% of pensionable pay for normal members and set at 48.3% for Holden plan members.

The ICIPF is included within the group accounts of the ultimate parent company, Akzo Nobel N.V. and valued under International Accounting Standard 19 "Employee Benefits". The value of the funded status valuation at 31 December 2014 was a surplus of £185m (*2013: £359m surplus*). This valuation is not used to determine the funding requirements under UK pension regulations and therefore has no impact upon the Company. The contribution rate and top up contributions affecting the Company during the year are as disclosed above and were set at the 2011 full actuarial valuation.

In March 2014 the trustees of the scheme entered into two annuity buy-in agreements in line with their strategy of de-risking the fund which is supported by the Company and the AkzNobel group. The two agreements are with Legal and General plc and Prudential Retirement Income Limited and cover in aggregate £3.6 billion of pensioner liabilities, which is broadly equivalent to one third of the ICIPF liabilities.

In the first half of 2015 the trustees of the scheme entered into three further de-risking non-cash buy in transactions covering £1.5 billion of pensioner liabilities.

Notes *(continued)*

24 Pension schemes *(continued)*

Since 2 January 2008 the ICIPF has had the benefit of a guarantee from the ultimate parent company of the Company, Akzo Nobel N.V., in respect of the Company's obligation to make all contractual payments to the ICIPF.

ICI Specialty Chemicals Pension Fund

The Company participates in the ICI Specialty Chemicals Pension Fund ("the ISCPF") providing benefits based on final pensionable pay.

The ISCPF is a multi-employer scheme in which the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis and, as permitted by Financial Reporting Standard 17 "Retirement benefits", the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme.

At the balance sheet date the latest full actuarial valuation was carried out as at 31 March 2011 by a qualified independent actuary. At this valuation the market value of the scheme assets was sufficient to cover 97% (*31 March 2008: 89%*) of the benefits that had accrued to members at that date.

The contribution rate is generally reviewed every three years following each full actuarial valuation of the scheme. Following the 2011 valuation and with effect from 1 July 2012, the regular contribution for the Main Section ("non-Williams members") increased to 30.9% of pensionable pay and Section A of the Fund ("Williams members") increased to 32.2% of pensionable pay.

The total contribution made by the Company excluding annual top ups was £1m (*2013: £1m*). The Company also paid pension administration and investment management fees of £2m (2013: *£2m*) in relation to the ISCPF.

The Company did not make any additional top up contributions during the year (*2013: £4m*).

The Company also provides the ISCPF with Letters of Credit in the event of a default of the Company in its obligations towards the ISCPF. The value of the Letters of Credit in place at 31 Dec 2014 was £128m (2013: *£145m*) divided between 3 banks.

The 2014 tri annual valuation was concluded in May 2015. At this valuation the market value of the scheme assets on a funding basis was sufficient to cover 91% (*31 March 2011: 97%*) of the benefits that had accrued to members at that date.

Following this valuation additional top up contributions of £36m were agreed to be made between 2015 and 2020. It is expected that this contribution will be borne by the Company.

The contribution rate that was agreed following this valuation and effective from June 2015 was set at 42.3% of pensionable pay for Main section members and set at 44.4% for Williams members.

The ISCPF is included within the group accounts of the ultimate parent company, Akzo Nobel N.V. and valued under International Accounting Standard 19 "Employee Benefits". At 31 December 2014 the funded status valuation was a surplus of £86m (2013: *£39m surplus*). This valuation is not used to determine the funding requirements under UK pension regulations and therefore has no impact upon the Company. The contribution rate and top up contributions affecting the Company are as disclosed above and were set at the 2014 full actuarial valuation.

Akzo Nobel Benefit Builder Scheme

The Company is a member of the Akzo Nobel Benefit Builder Scheme (formerly the "benefit builder") defined contribution scheme providing benefits based on contributions made. There were no outstanding or prepaid contributions at the beginning or end of the financial year. Payments to benefit builder during 2014 were £4m (2013: *£5m*).

Unfunded Pension Schemes

The Company pays for a number of unfunded pension schemes. At the end of 2014, 72 (2013: 72) former employees were beneficiaries of these schemes.

The total unfunded pension cost for the Company during 2014 was £0.8m (2013: *£0.7m*)

Notes *(continued)*

24 Pension schemes *(continued)*

Post-Retirement benefits other than pensions.

The Company provides unfunded healthcare benefits for eligible, retired employees from retirement date until the age of sixty five through a scheme operated by a healthcare insurer for the Company's employees in the UK. During 2014, 235 retired employees were beneficiaries of the scheme (2013: 300).

The total post-retirement healthcare cost for the Company during 2014 was £0.1m (2013: *£0.1m*)

25 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a wholly owned subsidiary company of Akzo Nobel ICI Holdings, a company incorporated in England and Wales.

The only group in which the results of the Company are consolidated is that headed by the ultimate parent company, Akzo Nobel N.V., incorporated in the Netherlands.

Copies of the Akzo Nobel N.V. Annual Report and Accounts are available to the public and may be obtained from Velperweg 76, PO Box 9300, 6800 SB Arnhem, The Netherlands.

26 Investment in related undertakings

The companies, in which the Company's interest at 31 December 2014 is more than 20%, are as follows;

Companies	Country of Incorporation	Principal Activity	% Shares/ Share class
I.C. Insurance Holdings Limited	England	Insurance Company	49% Ordinary
I.C. Insurance Limited	England	Insurance Company	49% Ordinary*
ICI International Limited	England	Holding Company	100% Ordinary
ICI Limited	England	Dormant	100% Ordinary
ICI North America Limited	England	Dormant	100% Ordinary
Mortar Investments UK Limited	England	Dormant	99.9% Ordinary
ICHEM Reinsurance Company Limited	Cayman Islands	Finance Company	100% Ordinary
ICI Insurance Company Limited	Cayman Islands	Finance Company	100% Ordinary
ICI International Investments Limited	Cayman Islands	Finance Company	100% Ordinary
Akzo Nobel India Limited	India	Paints	49.24%** Listed investment
ICI India Research and Technology Centre	India	Research Company	25%* Voting Only
ICI Fertilisers (Ireland) Limited	Ireland	Dormant	99.9% Ordinary
Akzo Nobel Paints Lanka (PVT) Limited	Sri Lanka	Decorative Paints	50.6% Ordinary
ICI Kem	Venezuela	Dormant	55% Ordinary
Ergon Investments UK Limited	England	Holding Company	100% Ordinary
ICI Funding Limited	Jersey	Finance Company	100% Ordinary
Ergon Investments International Limited	England	Holding Company	100%* Ordinary
ICI Theta BV	Netherlands	Holding Company	100%* Ordinary
Akzo Nobel Paints (Asia Pacific) Pte Ltd	Singapore	Decorative Paints	100%* Ordinary
ICI Paints Vietnam Ltd	Vietnam	Decorative Paints	100%* Common
Pinturas Coral De Bolivia Ltda	Bolivia	Decorative Paints	99%* Ordinary
ICI Ireland Limited	Ireland	Holding Company	100%* Ordinary
Quest International (Dublin) Limited	Ireland	Holding Company	100%*Ordinary
Akzo Nobel Paints (Malaysia) Sdn. Bhd.	Malaysia	Decorative Paints	59.95%* Ordinary
Akzo Nobel Paints Vietnam Ltd	Vietnam	Decorative Paints	100%* Ordinary
Dulux Botswana (Pty) limited	Botswana	Decorative Paints	100%* Class A 100%* Class B
Dulux Namibia (Pty) Limited	Namibia	Decorative Paints	100%* Ordinary
Dulux Swaziland (Pty) Limited	Swaziland	Decorative Paints	100%* Capital
Dulux Zambia (2005) Limited	Zambia	Decorative Paints	99%* Ordinary
Horseferry Investments Limited	England	Holding Company	100% Ordinary
ICI Finance Limited	England	Finance Company	100% Ordinary 100% Preference
Mortar Investments International Limited	England	Holding Company	100% Ordinary
Metlac S.p.A.	Italy	Decorative Paints	44.44%* Ordinary
Stevenston Holdings Limited	England	Finance Company	100% Ordinary
Dulux Limited	England	Holding Company	100% Ordinary
Cuprinol Limited England	England	Dormant	100%* Ordinary
Hammerite Products Limited	England	Toll manufacturing	100%* Ordinary
ICI Chemicals & Polymers Limited	England	Holding Company	100%* Ordinary

26 Investment in related undertakings (*continued*)

Companies	Country of Incorporation	Principal Activity	% Shares/ Share class
Canliq 2 Limited	England	Dormant	100%* Ordinary
Intex Yarns (Manufacturing) Limited	England	Dormant	100%* Ordinary
Scottish Agricultural Industries Limited	England	Dormant	100%* Ordinary
Akzo Nobel Packaging Coatings Limited	England	Packaging Coatings	100%* Ordinary
Akzo Nobel (NASH) Limited	England	Holding Company	100%* Ordinary
Akzo Nobel (NSC) Limited	England	Non-Trading	100%*Ordinary
Polycell Products Limited	England	Dormant	100%* Ordinary
J.P. McDougall & Co. Limited	England	Decorative Paints	100%* Ordinary
ICI Paints (Trade Contract) Limited	England	Support Services	100%* Ordinary
Sales Support Group Limited	England	Support Services	100%* Ordinary

*Held by Subsidiaries
**Equity

On 20 March 2015, the Company's indirectly owned subsidiary, ICI Funding Limited, which had been placed into Members' Voluntary Liquidation, was dissolved.

On 5 May 2015, Canliq 2 Limited (formerly Dulux Limited) was voluntarily struck-off from the Register at Companies House.

On 22 May 2015, the Company's 49% owned joint venture, I.C. Insurance Holdings Limited, sold its 100% owned subsidiary I.C. Insurance Limited to Randall & Quilter Investment Holdings Limited.