

**ANNUAL REPORTS & FINANCIAL STATEMENTS  
OF WHOLLY OWNED SUBSIDIARY AND  
STEP DOWN SUBSIDIARY COMPANIES**

**OF**

**MANALI PETROCHEMICALS LIMITED  
FOR THE YEAR 2019-2020**

- **AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED,  
SINGAPORE**
- **AMCHEM SPECIALITY CHEMICALS UK LIMITED, UK**
- **NOTEDOME LIMITED, UK**

Company Registration No : 201534952W

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
(Incorporated in Singapore)

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED  
(Incorporated in Singapore)

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(incorporated in Singapore)**

**GENERAL INFORMATION**

**Director**

Ashwin Chidambaram Muthiah  
Srikanth Sashikala

**Company Secretaries**

Iyer Anjali Subramanian  
Joelyn Tan Chew Hoon

**Registered Office**

8 Temasek Boulevard  
#22-03 Suntec Tower 3  
Singapore 038988

**Independent Auditor**

JBS Practice PAC

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(incorporated in Singapore)**

**DIRECTOR'S STATEMENT**

The directors present their statement to the member together with the audited financial statements of AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (the "Company") for the financial year ended 31 March 2020.

In the opinion of the directors,

- (a) the accompanying financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of its financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**DIRECTOR**

The director of the Company in office at the date of this statement are as follows:

Ashwin Chidambaram Muthiah  
Srikanth Sashikala

**ARRANGEMENTS TO ENABLE DIRECTOR TO ACQUIRE SHARES OR DEBENTURES**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**DIRECTOR'S INTERESTS IN SHARES OR DEBENTURES**

The directors holding office at the end of the financial year had no interest in shares or debentures of the Company or its related corporations at the beginning and end of the financial year as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Cap. 50, except as detailed below:

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(incorporated in Singapore)**

**DIRECTOR'S STATEMENT (...CONT'D)**

**DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (...CONT'D)**

	Holdings in which a director is <u>deemed to have an interest</u>	
	<u>As at 01.04.19</u>	<u>As at 31.03.20</u>
	No. of ordinary shares	
<u>The Company</u>		
Ashwin Chindambaram Muthiah	6,158,699	<b>6,158,699</b>
<u>The holding company</u>		
Manali Petrochemicals Limited		
Ashwin Chindambaram Muthiah	64,507,524	<b>64,507,524</b>

**SHARE OPTIONS**

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

**INDEPENDENT AUDITOR**

The independent auditor, Messrs JBS Practice PAC, has expressed its willingness to accept re-appointment.

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Ashwin Chidambaram Muthiah  
Director

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Srikanth Sashikala  
Director

5 June 2020

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**

(Incorporated in Singapore)

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (the "Company") as set out on pages 7 to 38, which comprise the statement of financial position of the Company as at 31 March 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of *Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the General Information set out on page 1, and the Director's Statement set out on pages 2 to 3 and the accompanying schedule of Other Operating Expenses.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (...CONT'D)**

(Incorporated in Singapore)

**Report on the Audit of the Financial statements (...cont'd)**

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director's responsibilities include overseeing the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (...CONT'D)**

(Incorporated in Singapore)

**Report on the Audit of the Financial Statements (...cont'd)**

*Auditor's Responsibilities for the Audit of the Financial Statements (...cont'd)*

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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JBS PRACTICE PAC  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS

Singapore

5 June 2020

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	Note	<u>2020</u> US\$	<u>2019</u> US\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	<b>1,068,276</b>	845,621
Other receivables	5	<b>61,725</b>	-
Prepayment		<b>1,707</b>	1,594
		<b>1,131,708</b>	847,215
<b>Non-current assets</b>			
Plant and equipment	6	-	-
Investment in subsidiary	7	<b>15,170,600</b>	15,170,600
		<b>15,170,600</b>	15,453,789
<b>Total assets</b>		<b>16,302,308</b>	16,017,815
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	8	<b>28,012</b>	10,549
Income tax payable		<b>14,049</b>	38,144
<b>Total liabilities</b>		<b>42,061</b>	48,693
<b>NET ASSETS</b>		<b>16,260,247</b>	15,969,122
<b>SHAREHOLDER'S EQUITY</b>			
Share Capital	9	<b>16,421,208</b>	16,421,208
Accumulated losses		<b>(160,961)</b>	(452,086)
<b>TOTAL EQUITY</b>		<b>16,260,247</b>	15,969,122

*The annexed notes form an integral part of and should be read in conjunction with these financial statements*

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<u>Note</u>	<u>2020</u> US\$	<u>2019</u> US\$
<b>REVENUE</b>			
Consultancy services income	10	<b>743,355</b>	694,795
Dividend income		-	398,790
Other income	11	<b>380,591</b>	530,076
<b>Total revenue</b>		<b>1,123,946</b>	1,623,661
<b>EXPENSES</b>			
Depreciation of plant and equipment	6	-	2,990
Employee benefits expense	12	<b>588,994</b>	547,156
Other operating expenses	13	<b>170,064</b>	100,012
<b>Total expenses</b>		<b>759,058</b>	650,158
<b>Profit before income tax</b>		<b>364,888</b>	973,503
<b>Income tax expense</b>	14	<b>(73,763)</b>	(102,600)
<b>Net profit, representing total comprehensive income for the year</b>		<b>291,125</b>	870,903

*The annexed notes form an integral part of and should be read in conjunction with these financial statements*

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<u>Share Capital</u> US\$	<u>Accumulated losses</u> US\$	<u>Total</u> US\$
<b><u>2020</u></b>			
Balance as at 1 April 2019	16,421,208	(452,086)	15,969,122
Net profit, representing total comprehensive income for the year	-	291,125	291,125
Balance as at 31 March 2020	16,421,208	(160,961)	16,260,247
<b><u>2019</u></b>			
Balance as at 1 April 2018	16,421,208	(1,322,989)	15,098,219
Net loss, representing total comprehensive income for the year	-	870,903	870,903
Balance as at 31 March 2019	16,421,208	(452,086)	15,969,122

*The annexed notes form an integral part of and should be read in conjunction with these financial statements*

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
(Incorporated in Singapore)

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<u>Note</u>	<u>2020</u> US\$	<u>2019</u> US\$
<b>Cash Flows From Operating Activities</b>			
Profit before income tax		<b>364,888</b>	973,503
<b>Adjustment for :</b>			
Depreciation of property, plant and equipment	6	-	2,990
Interest Income	11	<b>(4,519)</b>	-
Dividend income		-	(398,790)
<b>Operating cash flow before changes in working capital</b>		<b>360,369</b>	577,703
Changes in working capital:			
Other receivables		<b>(60,621)</b>	3,783
Other payables		<b>17,463</b>	(345,021)
Prepayment		<b>(113)</b>	(46)
<b>Cash generated from operations</b>		<b>317,098</b>	236,416
Income tax paid		<b>(29,058)</b>	(856)
Withholding tax paid		<b>(68,800)</b>	(63,600)
<b>Net cash generated from operating activities</b>		<b>219,240</b>	171,963
<b>Cash Flows From Investing Activity</b>			
Dividend received		-	398,790
Interest received		<b>3,415</b>	-
Purchase of plant and equipment	6	-	(2,990)
<b>Net cash generated from investing activities</b>		<b>3,415</b>	395,800
<b>Net increase in cash and cash equivalents</b>		<b>222,655</b>	567,763
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>845,621</b>	277,858
<b>Cash and cash equivalents at end of the financial year</b>	4	<b>1,068,276</b>	845,621

*The annexed notes form an integral part of and should be read in conjunction with these financial statements*

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

**1. GENERAL INFORMATION**

Amchem Speciality Chemicals Private Limited (the “Company”) (Company Registration No: 201534952W) is domiciled in Singapore. The Company’s registered office is at 8 Temasek Boulevard, #22-03 Suntec Tower 3, Singapore 038988 and principal place of business is at 8 Temasek Boulevard, #17-03 Suntec Tower 3, Singapore 038988.

The principal activities of the Company are that of business and management consultancy services, other investment holding companies and wholesale of petrochemical products.

The financial statements of the Company for the financial year ended 31 March 2020 were authorised for issue by the directors on 5 June 2020.

**2. SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards in Singapore (“FRSs”). The financial statements, which are expressed in United States dollars, are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

On 1 April 2019, the Company has adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the amounts reported for the current or prior financial years.

These financials statements are separate financial statements of AMCHEM SPECIALITY CHEMICALS PTE. LTD. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly owned subsidiary of Manali Petrochemicals Limited, a company incorporated in India and listed on the Stock Exchange of India which produces consolidated financial statements available for public use. The subsidiary of the Company is disclosed in Note 7 to the financial statements. The registered office of Manali Petrochemicals Limited is at SPIC House, 88 Mount Road Guindy, Chennai, Tamil Nadu-600032.

Investment in subsidiary in the financial statements of the Company are stated at cost, less any impairment in recoverable value (if any).

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

b) Currency translation

The financial statements of the Company are measured in the currency of the primary economic environment in which the entity operates (its functional currency.) The financial statements of the Company are presented in United States Dollars, which is the functional currency of the Company.

In preparing the financial statements of the Company, monetary assets and liabilities in foreign currencies are translated into United States dollars at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rate ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the profit or loss. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain loss is also recognised directly in other comprehensive income.

c) Plant and equipment

(i) *Measurement*

Plant and equipment are initially recorded at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

*Components of costs*

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

c) Plant and equipment (...cont'd)

(ii) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Computers	1 Year

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(iii) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(iv) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

d) Financial assets

(i) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FCPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flow of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expenses in profit or loss.

At subsequent measurement

(a) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and other receivables.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

d) Financial assets (...cont'd)

(i) Classification and measurement (...cont'd)

At subsequent measurement (...cont'd)

(a) Debt instruments (...cont'd)

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

d) Financial assets (...cont'd)

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The company always recognizes lifetime ECL for receivables. The expected credit losses on the financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

*d) Financial assets (...cont'd)*

*(ii) Impairment (...cont'd)*

*Write-off policy*

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

*(iii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date-the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss.

*e) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

f) Investment in subsidiary

Investment in subsidiary is carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investment in subsidiary, the difference between the disposal proceeds and the carrying amount of the investment is recognised in the profit or loss.

g) Other payables

Other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled and expired.

h) Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the profit or loss when the changes arise.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

j) Impairment of non-financial asset

*Plant and equipment*  
*Investments in subsidiary*

Investment in subsidiary, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

k) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

l) Taxes

Current income tax for current and prior years is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

A deferred income tax liability is recognised for all taxable temporary differences.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measure:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

m) Government grants

Cash grants received from the government in relations to Temporary Employment Credit are recognised as income when there is reasonable assurance that the grant will be received.

n) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and fixed deposits with maturity period of less than 3 months, which are subject to an insignificant risk of change in value.

o) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

*Defined contribution plan*

Defined contribution plans are post-employment benefit plan under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The Company has no future payment obligations once the contributions have been paid.

p) Related parties

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to Company if that person:
  - (a) Has control or joint control over the Company;
  - (b) Has significant influence over the Company; or
  - (c) Is a member of the key management personnel of the Company or of a parent of the Company.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

*p) Related parties (...cont'd)*

(ii) An entity is related to the Company if any of the following conditions applies:

- (a) The entity and the Company are member of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (c) Both entities are joint ventures of the same third party.
- (d) One entity is a joint venture of the third entity and other entity is an associate of the third entity.
- (e) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (f) The entity is controlled or jointly controlled by a person identified in (i).
- (g) A person identified in (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of an entity).
- (h) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

q) Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good to the customer. A performance obligation is satisfied over a period of time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

- (i) Consultancy service income is recognised when the service are rendered to customers and all criteria for acceptance have been satisfied over a period of time.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

*q) Revenue recognition (...cont'd)*

- (ii) Dividend income is recognised when the right to receive payment is established.
- (iii) Revenue from commission income is recognised when the promised services are transferred to the customers and all criteria for acceptance in reference to agreement have been satisfied at a point in time.
- (iv) Interest income is recognized using the effective interest rate method.

*r) Leases*

The accounting policy for leases before the initial application date of FRS 116, 1 April 2019:

Lease of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operation leases.

Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

The accounting policy for leases after the initial application date of FRS 116, 1 April 2019:

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Company recognized a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

*r) Leases (...cont'd)*

The accounting policy for leases after the initial application date of FRS 116, 1 April 2019:  
(...cont'd)

Right-of-use assets (...cont'd)

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Plant and equipment", if any.

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease ter reflects the Company exercising that option.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

*r) Leases (...cont'd)*

The accounting policy for leases after the initial application date of FRS 116, 1 April 2019: (...cont'd)

Lease liabilities (...cont'd)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a changes in the Company's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

Short term and low value leases

The Company has elected to not recognized right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognize those lease payments in profit or loss in the periods that triggered those lease payments.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)**

s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from taxation authority, in which case the GST is recognized as part of the cost of acquisition of the asset or as part of the expenses item as applicable; and
- receivables and payables that are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS**

The presentation of financial statements in conforming to FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The following are the critical accounting estimates, assumptions and judgements for preparation of financial statements:

(a) Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENTS (...CONT'D)**

b) Key sources of estimation uncertainty (...cont'd)

i) *Impairment of non-financial assets*

Investment in subsidiary is tested for impairment whenever there is objective evidence or indication that those assets may be impaired. Determining whether investment in subsidiary is impaired requires an estimation of value-in-use of the investment in subsidiary. The value-in-use calculation requires the management estimate the future cash flows and appropriate discount rate in order to calculate the present value of future cash flows. The management has evaluated such estimates and is confident that no allowance for impairment is necessary.

**4. CASH AT CASH EQUIVALENTS**

	2020 US\$	2019 US\$
Cash at bank	2,65,608	845,621
Fixed deposits	802,668	-
	<b>1,068,276</b>	<b>845,621</b>

The fixed deposits are for a tenure period of 90 days with the interest rate range from 0.85% to 1.36% per annum. The Company's cash and cash equivalents are denominated in the following currencies:

	2020 US\$	2019 US\$
Singapore dollars	50,265	131,343
Great British pounds	65,921	121,927
United States dollars	952,090	592,351
	<b>1,068.276</b>	<b>845,621</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**5. OTHER RECEIVABLES**

	2020 US\$	2019 US\$
Advance to staff	7,773	-
GST recoverable	1,592	-
Interest receivables	1,104	-
Other debtors	12,051	-
Amount due from a subsidiary	39,205	-
	<b>61,725</b>	<b>-</b>

The amount due from a subsidiary is unsecured, interest free and repayable on demand. There is no allowance for doubtful debts arising from the outstanding balance as the estimated credit loss is not material. The Company's other receivables are denominated in the following currencies.

	2020 US\$	2019 US\$
Singapore dollars	9,366	-
Great British pounds	39,205	-
Unites States dollars	13,154	-
	<b>61,725</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**6. PLANT AND EQUIPMENT**

	<u>Computers</u>	<u>Total</u>
	US\$	US\$
<u>2020</u>		
<b>Cost</b>		
At 1 April 2019 and 31 March 2020	2,990	2,990
<b>Accumulated depreciation</b>		
At 1 April 2019 and 31 March 2020	2,990	2,990
<b>Carrying amount</b>		
At 31 March 2020	-	-
<u>2019</u>		
<b>Cost</b>		
At 1 April 2018	-	-
Additions	2,990	2,990
At 31 March 2019	2,990	2,990
<b>Accumulated depreciation</b>		
At 1 April 2018	-	-
Change for the year	2,990	2,990
At 31 March 2019	2,990	2,990
<b>Carrying amount</b>		
At 31 March 2019	-	-

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**7. INVESTMENT IN SUBSIDIARY**

	2020 US\$	2019 US\$
<u>Unquoted equity shares, at cost</u>		
At beginning and end of the year	<b>15,170,600</b>	15,170,600

The details of the subsidiary as at 31 March 2020 are as follows:

<u>Name of subsidiary/ Country of Incorporation</u>	<u>Principal activities</u>	<u>Percentage of ownership interest</u>	
		<u>2019 %</u>	<u>2018 %</u>
Amchem Speciality Chemicals UK Limited (United Kingdom)	Investment holdings	100	100
<i>Held by Amchem Speciality Chemicals UK Limited</i> Notedom Limited (United Kingdom)	Manufacturing of Neuthane Polyurethane Cast Elastomers	100	100

**8. OTHER PAYABLES**

	2020 US\$	2019 US\$
Accruals for - operating expenses	<b>7,704</b>	8,124
Accruals for - staff costs	<b>3,900</b>	2,425
Other payables - Third party	<b>16,408</b>	-
	<b>28,012</b>	10,549

Other payables are unsecured, interest free, repayable on demand and are denominated in Singapore dollars.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**9. SHARE CAPITAL**

	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Number of ordinary shares issued		US\$	US\$
Balance at beginning and End of the financial year	<b>16,421,208</b>	16,421,208	<b>16,421,208</b>	16,421,208

All issued ordinary shares are fully paid. There is no par values for these ordinary shares.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company' residual assets.

**10. CONSULTANCY SERVICE INCOME**

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Consultancy income	<b>743,355</b>	694,795
<u>Primary geographical markets</u>		
India	<b>680,000</b>	630,000
United Kingdom	<b>63,355</b>	64,795
	<b>743,355</b>	694,795
<u>Timing of transfer of goo or service</u>		
Over time	<b>743,355</b>	694,795

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

<b>Nature of goods or services</b>	The Company generates revenue from provision of consultancy service.
<b>When revenue is recognized</b>	Income from the provision of services is recognised when the promised services are transferred and all criteria for acceptance have been satisfied over a period of time.
<b>Significant payment terms</b>	Payment is due within 15 days from the date of receipt of claim.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**11. OTHER INCOME**

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Commission and reimbursement received	375,899	529,825
Government grant – Temporary Employment Credit	-	251
Interest Income	4,519	-
Others	173	-
	<u>380,591</u>	<u>530,076</u>

**12. EMPLOYEE BENEFITS EXPENSE**

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Director's fees	-	12,416
Director's remuneration	59,282	-
Director's CPF	8,171	-
Staff salaries and bonus	463,408	484,981
Staff's CPF	14,762	15,394
Skill development fund	281	172
Medical fees	43,090	34,193
	<u>588,994</u>	<u>547,156</u>

**13. OTHER OPERATING EXPENSES**

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Professional fees	39,072	14,009
Foreign exchange loss	10,319	2,009
Travelling expenses	82,569	43,152
Rental of office equipment (lease not capitalized in lease liability/operating lease)	166	371
Rental of office premises (lease not capitalized in lease liability/operating lease)	27,468	27,748
Others	10,470	12,723
	<u>170,064</u>	<u>100,012</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**13. OTHER OPERATING EXPENSES (...CONT'D)**

The Company has leases of office with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low value assets' recognition exemptions for these leases.

**14. INCOME TAX EXPENSE**

	<u>2020</u> US\$	<u>2019</u> US\$
Current tax:		
- Current year's provision	14,049	39,000
- Over provision of prior year taxation	(9,086)	-
Foreign tax paid – withholding tax	68,800	63,600
	<u>73,763</u>	<u>102,600</u>

The current year's income tax expense varied from the amount of income tax determined by applying the applicable Singapore statutory income tax rate of 17% (2019:17%) to the profit before income tax as a result of the following differences:

	<u>2019</u> US\$	<u>2018</u> US\$
Profit/(loss) before income tax	364,888	973,503
Income tax expense at statutory rate	62,031	165,496
Non-allowable items	6,398	5,471
Non-taxable income	-	(67,794)
Foreign tax paid	68,800	63,600
Tax exemption	(12,301)	(13,339)
Tax rebate/relief	(41,873)	(50,957)
Over provision of prior year taxation	(9,086)	-
Others	(206)	123
	<u>73,763</u>	<u>102,600</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**15. IMMEDIATE AND ULTIMATE HOLDING COMPANY**

The Company's immediate and ultimate holding company is Manali Petrochemicals Limited, a company incorporated in India.

**16. RELATED PARTY TRANSACTION**

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following transaction between the Company and its related party took place during the financial year:

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Consultancy services income from holding company	480,000	480,000
Consultancy services income from related party	200,000	150,000
Consultancy services income from subsidiary	63,355	64,795
Dividend income from subsidiary	-	398,790
Rental expenses paid to a related party	27,468	27,468

(b) Compensation of Key management personnel

The remuneration of Key management during the financial year/period were as follows

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Short-term benefits	470,423	469,049
Post-employment benefits	14,995	9,766

**17. FINANCIAL RISK MANAGEMENT**

*Financial risk factors*

The company's activities expose it to market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**17. FINANCIAL RISK MANAGEMENT**

*Financial risk factors (...cont'd)*

(a) *Market risks*

(i) Foreign currency risk

The Company incurs foreign currency risk on transactions that are denominated in currencies other than United States dollars such as Singapore dollars and Great British pounds. However, the Company does not use any hedging instruments to protect against the volatility associated with foreign currency transactions, other assets and liabilities created in the normal course of business.

The Company's currency exposure based on the information provided to key management is as follows:

	<u>SGD</u> US\$	<u>GBP</u> US\$
<b><u>2020</u></b>		
<b>Financial assets</b>		
Cash and cash equivalents	50,265	65,921
Other receivables	9,366	39,205
	<u>59,631</u>	<u>105,126</u>
<b>Financial liability</b>		
Other payable	(28,012)	-
Currency exposure on net financial liability	<u>31,619</u>	<u>105,126</u>

	<u>SGD</u> US\$	<u>GBP</u> US\$
<b><u>2019</u></b>		
<b>Financial asset</b>		
Cash and cash equivalent	131,343	121,927
<b>Financial liability</b>		
Other payable	(10,549)	-
Currency exposure on net financial asset	<u>120,794</u>	<u>121,927</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**17. FINANCIAL RISK MANAGEMENT**

*Financial risk factors (...cont'd)*

*(a) Market risks (...cont'd)*

As 31 March 2020, if the Singapore dollars and Great British pounds had strengthened/weakened by 4% and 5%, respectively (2019; 3% and 7%) against the United States dollars with all other variables including tax rate being held constant, the Company's profit or loss for the financial year would have been higher/lower approximately by:

	<u>2020</u> US\$	<u>2019</u> US\$
Singapore dollars	1,200	3,600
Great British pounds	5,200	8,500

*(ii) Interest rate risk*

The Company's exposure to changes in interest rate is mainly attributable to its interest bearing fixed deposit held in local bank. The sensitivity analysis for changes in interest rate is not disclosure as the effect to profit or loss is considered not significant.

*(b) Credit risk*

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The major class of financial assets of the Company is cash and cash equivalents and other receivables. Cash at banks is placed with financial institution with good credit ratings. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

Cash and cash equivalents and other receivables are subjected to immaterial credit loss under FRS 109.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**17. FINANCIAL RISK MANAGEMENT**

*Financial risk factors (...cont'd)*

*(c) Liquidity risk*

Liquidity risk refers to the risk in which the Company may not be able to meet its short-term obligations. At the end of the reporting period, assets held by the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 4.

*Non-derivative financial liabilities*

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	<u>2020</u> US\$	<u>2019</u> US\$
<b>On demand or within 1 year</b>		
Other payables	28,012	10,549
	28,012	10,549

*(d) Fair values measurement*

The carrying amounts of cash and cash equivalents, other receivables and other payables approximates their fair values due to their short-term nature.

*(e) Categories of financial instruments*

The following table sets out the Company' financial instruments as at the end of the reporting year:

	<u>2020</u> US\$	<u>2019</u> US\$
<b>Financial asset</b>		
Amortised cost:		
Cash and cash equivalents	1,068,276	845,621
Other receivables	60,133	-
	1,128,410	845,621
<b>Financial liability</b>		
Amortised cost:		
Other payables	28,012	10,549
	28,012	10,549

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**18. CAPITAL RISK MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholder and benefits for other stakeholders, and to provide an adequate return to shareholder by pricing products and services commensurately with the level of risk. The management sets the amount of capital in proportion to risk. The capital structure of the Company consist of issued share capital. The management manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares, or sell assets to reduce debt.

The Company is not subjected to externally imposed capital requirements and Company's overall strategies remained unchanged for the financial years ended 31 March 2020 and 31 March 2019.

**19. NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE**

At the date of authorisation of these financial statements, the following FRSs and amendments to FRS that are relevant to the Company were issued but not yet effective:

<u>Description</u>	Effective for annual periods beginning on or <u>after</u>
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
<i>Amendments to FRS 1 and FRS 8 Definition of Material</i>	1 January 2020

The Company has not applied those FRSs and INT FRSs that have been issued but are effective only in next financial year. The Company expects the adoption of the standards will have no material effect on the financial statements in the period of initial application.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (...CONT'D)**

**20. EVENT AFTER THE REPORTING DATE**

The outbreak of COVID-19 and the subsequent quarantine measures imposed by the Singapore and other governments as well as the travel and trade restrictions imposed by Singapore and other countries in early 2020 have caused disruption to businesses and economic activity. The Company considers this to be a non-adjusting post balance sheet event and accordingly the financial effect of COVID-19 have not been reflected in the Company's financial statements at 31 March 2020.

As the situation remains fluid (due to evolving changes in government policy and evolving business and customer reactions thereto) as at the date these financial statements are authorized for issue, the directors of the Company considered that the financial effects of COVID-19 on the Company's financial statements cannot be reasonably estimated for future financial period. However, the directors consider that the general economic impacts arising from COVID-19 are expected to have little impact on the operations of the Company and its investment in subsidiary.

The economic effects arising from the COVID-19 outbreak may have an impact on the full year results of 2021, however based on judgement it may not have a material affect.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial year.

**REGISTERED NUMBER: 10329758 (England and Wales)**

Report of the Directors and  
Financial Statements for the Year Ended 31 March 2020  
For  
AMCHEM Speciality Chemicals UK Limited

Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

[AMCHEM Speciality Chemicals UK Limited \(Registered number: 10329758\)](#)

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AMCHEM Speciality Chemicals UK Limited

Company Information

for the Year Ended 31 March 2020

DIRECTORS:

C M Bowry  
A C Muthiah  
S Srikanth

REGISTERED OFFICE:

Avery House  
8 Avery Hill Road  
London  
SE9 2BD

REGISTERED NUMBER:

10329758 (England and Wales)

AUDITORS:

Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

[AMCHEM Speciality Chemicals UK Limited \(Registered number: 10329758\)](#)

[Report of the Directors  
for the Year Ended 31 March 2020](#)

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

## **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

C M Bowry  
A C Muthiah  
S Srikanth

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statement 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;
- 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## **AUDITORS**

The auditors, Lee Accounting Services 2018 Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

[AMCHEM Speciality Chemicals UK Limited \(Registered number: 10329758\)](#)

[Report of the Directors](#)  
[for the Year Ended 31 March 2020](#)

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

**ON BEHALF OF THE BOARD:**

.....  
C M Bowry - Director

**Date: 5.6.2020**

## **Opinion**

We have audited the financial statements of AMCHEM Speciality Chemicals UK Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, Including Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### **In our opinion the financial statements:**

- give a true and fair view of the state of the company's affairs as at 31 March 2020 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of  
AMCHEM Speciality Chemicals UK Limited

**Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Directors has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 required 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 director's 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of  
AMCHEM Speciality Chemicals UK Limited

**Use of our report**

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 a Report of the Auditors 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.

John D Lee BA FCA (Senior Statutory Auditor)  
For and on behalf of Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

Date: 12.6.20

[AMCHEM Speciality Chemicals UK Limited \(Registered number: 10329758\)](#)

[Income Statement](#)  
for the Year Ended 31 March 2020

	31.3.20	31.3.19
--	---------	---------

Notes	£	£	£	£
<b>TURNOVER</b>		<b>120,000</b>		120,000
Administrative expenses		<b>93,778</b>		86,524
<b>OPERATING PROFIT</b>	<b>4</b>	<b>26,222</b>		33,476
Income from shares in group undertakings		-	300,000	
Interest receivable and similar income		<b>519</b>	617	
		<u>519</u>	<u>300,617</u>	300,617
Interest receivable and similar income		<b>70</b>		41
		<u>26,671</u>		<u>334,052</u>
<b>PROFIT BEFORE TAXATION</b>		<b>26,671</b>		334,052
<b>Tax on profit</b>		<b>5,069</b>		6,477
		<u>21,602</u>		<u>327,575</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>21,602</b>		327,575
		<u>21,602</u>		<u>327,575</u>

*The notes from part of these financial statements*

Balance Sheet

31 March 2020

	Note	31.3.20 £	£	31.3.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		104		204
Investments	7		13,327,165		13,327,165
			13,327,269		13,327,369
<b>CURRENT ASSETS</b>					
Debtors	8	5,250		36,000	
Cash at bank		151,826		93,047	
		157,076		129,047	
<b>CREDITORS</b>					
Amounts falling due within one year	9	1,883,919		1,877,575	
<b>NET CURRENT LIABILITIES</b>			(1,726,843)		(1,748,528)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,600,426		11,578,841
<b>PROVISIONS FOR LIABILITIES</b>			18		35
<b>NET ASSETS</b>			11,600,408		11,578,806
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		11,500,000		11,500,000
Retained earnings			100,408		78,806
<b>SHAREHOLDERS' FUNDS</b>			11,600,408		11,578,806

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorized for issue on 5.6.2020 and were signed on its behalf by:

.....  
C M Bowry – Director

*The notes form part of these financial statements*

Statement of Changes in Equity  
for the Year Ended 31 March 2020

	Called up share capital	Retained earnings	Total equity
	£	£	£
<b>Balance at 1 April 2018</b>	11,500,000	51,231	11,531,231
<b>Changes in equity</b>			
Dividends	-	(300,00)	(300,000)
Total comprehensive income	-	327,575	327,575
<b>Balance at 31 March 2019</b>	11,500,000	78,806	11,578,806
<b>Changes in equity</b>			
Total comprehensive income	-	21,602	21,602
<b>Balance at 31 March 2020</b>	11,500,000	100,408	11,600,408

*The noted from part of these financial statements*

## 1. STATUTORY INFORMATION

AMCHEM Speciality Chemicals UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

## 2. ACCOUNTING POLICIES

### **Basis of preparing the financial statement**

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 25% on cost

### **Investment in subsidiaries**

Investment in subsidiary undertaking are recognised at cost.

### **Financial instruments**

#### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation asset and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes for the Financial Statements - continued  
for the Year Ended 31 March 2020

**2. ACCOUNTING POLICIES – continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessment in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Going concern**

The company has net current liabilities at the year end due to an outstanding loan to the subsidiary company. The loan has arisen as the subsidiary company has made payments on behalf of its parents. The loan is not interest bearing and has not fixed terms of repayments. The directors understand the subsidiary would not look for repayment of the loan in preference to third party creditors and hence the accounts have been prepared on the going concern basis.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 2 (2019 – 2).

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	31.3.20	31.3.19
	£	£
Depreciation – owned assets	100	100
Auditor’s remuneration	500	500
Auditor’s remuneration for non audit work	750	750
	<u>          </u>	<u>          </u>

**5. DIVIDENDS**

	31.3.20	31.3.19
	£	£
Interim	-	300,000
	<u>          </u>	<u>          </u>

Continued...

Notes for the Financial Statements - continued  
for the Year Ended 31 March 2020

**6. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 April 2019	
and 31 March 2020	<b>508</b>
<b>DEPRECIATION</b>	
At 1 April 2019	<b>304</b>
Charge for year	<b>100</b>
At 31 March 2020	<b>404</b>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<b>104</b>
At 31 March 2019	<b>204</b>

**7. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2019 AND 31 March 2020	<b>13,327,165</b>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<b>13,327,165</b>
At 31 March 2018	<b>13,327,165</b>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20 £	31.3.19 £
Trade debtors	<b>5,250</b>	<b>36,000</b>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20	31.3.19
	£	£
Amounts owed to group undertakings	1,831,470	1,831,470
Taxation and social security	23,632	18,882
Other creditors	28,817	27,223
	<u>1,883,919</u>	<u>1,877,575</u>

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Normal value:	31.3.20	31.3.19
		£1	£	£
11,500,000	Ordinary		<u>11,500,000</u>	<u>11,500,000</u>

**11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The controlling party is AMCHEM Speciality Chemicals Private Limited.

The ultimate controlling party is Manali Petrochemicals Limited.

The parent of the smallest group preparing consolidated financial statements is AMCHEM Speciality Chemicals Private Limited (incorporated in Singapore). The registered office address of this company is 8 Temasek Boulevard, #22-03 Suntec Tower 3, Singapore 038988.

REGISTERED NUMBER: 01326364 (England and Wales)

Strategic Report, Report of the Directors and  
Audited Financial Statement for the Year Ended 31 March 2020  
For  
Notedome Limited

Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

[Notedome Limited \(Registered number: 01326364\)](#)

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Notedome Limited

Company Information

For the Year Ended 31 March 2020

**DIRECTORS:**

Chandra M Bowry  
Ashwin C Muthiah  
Muthukrishnan Ravi  
Gordon John Alderley

**REGISTERED OFFICE:**

34 Herald Way  
Binley Industrial Estate  
Coventry  
West Midlands  
CV3 2RQ

**REGISTERED NUMBER:**

01326364 (England and Wales)

**AUDITORS:**

Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

Notedome Limited (Registered number: 01326364)

Strategic Report

For the Year Ended 31 March 2020

The directors present their strategic report for the year ended 31 March 2020.

#### **REVIEW OF BUSINESS**

Despite continuing global uncertainties pre-tax profit has grown by 10% over the leaves achieved for the 2018/19 financial year.

The Board is confident this growth will continue as we increase our presence and market share in Europe and broaden our product offering.

There were changes in the leadership of the business this year and the focus has been settling the company following this significant period of change.

To maintain its product range and competitiveness significant investment continues to be made in research and development each year and this will remain a priority for the company.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company operates in a global economy and the continued negotiations around a Brexit deal and the fluctuation of the pound against world currencies continues to lead to some potential risks and uncertainties for the future. These are no different to any other industries operating in a global economy.

Foreign currency exchange is regularly reviewed and monitored but the company does not forward purchase currency. The risk in fluctuation is managed by the fact that the company sells and purchases goods in foreign currencies enabling them to take advantage of the weak pound for exports with the off-set impact on purchases of raw materials from abroad.

Raw material supply and pricing can be a challenge at times and the company manages this risk by approving several sources from different geographies and suppliers for key and materials. The ongoing regulatory landscape for our raw materials and finished products is continually monitored and changes here can often be to our advantage as we offer such a diverse range of polyurethane systems.

As we serve such a broad range of markets including automotive, construction, off-shore and marine, to name but a few, we are offered some level of protection from a significant downturn in one of those markets having a dramatic impact on the company's performance.

#### **IMPACT OF COVID - 19**

The company has remained operational throughout the Covid-19 pandemic, including a range of health and safety measures to protect staff. We have found it necessary to furlough a number of staff in order to manage costs as we have experienced a downturn in sales during March, April and May. We are hopeful that more normal trading conditions will return in June and thus the impact on our trading situation will be minimised.

#### **ON BEHALF OF THE BOARD:**

.....  
Gordon John Alderley – Director  
Date: 15.06.2020

[Notedome Limited \(Registered number: 01326364\)](#)

[Report of the Directors  
for the Year Ended 31 March 2020](#)

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the processing and sale of chemicals and cast polyurethanes.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2020.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

Chandra M Bowry  
Ashwin C Muthiah  
Muthukrishnan Ravi

Other changes in directors holding office are as follows:

Bryan Lear – resigned 9 October 2019  
Duncan Lear – resigned 30 September 2019  
Gordon John Alderley – appointed 4 November 2019

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 statement 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;
- 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

[Notedome limited \(Registered number: 01326364\)](#)

[Report of the Directors](#)  
[for the Year Ended 31 March 2020](#)

**AUDITORS**

The auditors, Lee Accounting Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

.....  
Gordon John Alderley – Director

Date: 15/06/2020

### **Opinion**

We have audited the financial statements of Notedome Limited (the 'company') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statement, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true fair view of the state of the company's affairs as at 31 March 2020 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.

### **Basic for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relation to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appear to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of  
Notedome Limited

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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 a Report of the Auditors 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.

John David Lee BA FCA (Senior Statutory Auditor)  
For and on behalf of Lee Accounting Services 2018 Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

Date: 15/06/20

Statement of comprehensive income  
for the Year Ended 31 March 2020

	Notes	31.3.20		31.3.19	
		£	£	£	£
<b>TURNOVER</b>	3		<b>11,066,645</b>		11,781,628
Cost of Sales			<b>7,510,175</b>		8,692,176
<b>GROSS PROFIT</b>			<b>3,556,470</b>		3,089,452
Distribution costs		<b>447,830</b>		435,650	
Administrative expenses		<b>2,354,361</b>		1,949,041	
			<b>2,802,191</b>		2,384,691
			<b>754,279</b>		704,761
Other operating income			<b>16,174</b>		-
<b>OPERATING PROFIT</b>	5		<b>770,453</b>		704,761
Interest payable and similar expenses	7		<b>59,039</b>		58,324
<b>PROFIT BEFORE TAXATION</b>			<b>711,414</b>		646,437
Tax on profit	8		<b>90,686</b>		65,072
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<b>620,728</b>		581,365
<b>OTHER COMPREHENSIVE INCOME</b>			-		-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			<b>620,728</b>		581,365

The notes form part of these financial statements

Balance Sheet  
31 March 2020

		31.3.20		31.03.19	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		<b>1,574,920</b>		1,636,606
<b>CURRENT ASSETS</b>					
Stocks	11	<b>1,534,284</b>		1,992,188	
Debtors	12	<b>5,329,737</b>		5,601,998	
Cash at bank		<b>489,611</b>		303,360	
		<b>7,353,632</b>		7,897,546	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<b>2,896,313</b>		3,967,856	
<b>NET CURRENT ASSETS</b>			<b>4,457,310</b>		3,929,690
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>6,032,239</b>		5,566,296
<b>CREDITORS</b>					
Amounts falling due after more than one Year	14		<b>(105,287)</b>		(257,912)
<b>PROVISIONS FOR LIABILITIES</b>	18		<b>(80,497)</b>		(82,657)
<b>NET ASSETS</b>			<b>5,846,455</b>		5,225,727
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		<b>3,916</b>		3,916
Share Premium	20		<b>248,271</b>		248,271
Capital redemption reserve	20		<b>7,000</b>		7,000
Retained earnings	20		<b>5,587,268</b>		4,966,540
<b>SHAREHOLDERS' FUNDS</b>			<b>5,846,455</b>		5,225,727

The financial statements were approved by the Board of Directors and authorized for issue on ..... and were signed on its behalf by:

.....  
Gordon John Alderley – Director

*The notes form part of these financial statements*

Statement of Changes in Equity  
for the Year Ended 31 March 2020

	Called up Share Capital	Retained earnings	Share premium	Capital Redemption Reserve	Total equity
	£	£	£	£	£
<b>Balance at 1 April 2018</b>	3,916	4,685,175	248,271	7,000	4,944,362
<b>Changes in equity</b>					
Dividends	-	(300,000)	-	-	(300,000)
Total comprehensive income	-	581,365	-	-	581,365
<b>Balance at 31 March 2019</b>	3,916	4,966,540	248,271	7,000	5,225,727
<b>Changes in equity</b>					
Total comprehensive income	-	620,728	-	-	620,728
<b>Balance at 31 March 2020</b>	3,916	5,587,268	248,271	7,000	5,846,455

*The notes form part of these financial statements*

Cash flow Statement  
for the Year Ended 31 March 2020

		31.3.20	31.3.19
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	22	935,392	445,141
Interest paid		(58,690)	(57,287)
Interest element of hire purchase payments paid		(349)	(1,037)
Tax paid		(56,664)	2,102
Net cash from operating activities		819,686	(501,363)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(29,473)	(96,626)
Sale of tangible fixed assets		13,166	-
Net cash from investing activities		(16,307)	(96,626)
<b>Cash flows from financing activities</b>			
Loan repayments in year		(172,629)	(258,745)
Capital repayments in year		(1,127)	(13,591)
Amount introduced by directors		-	3,258
Amount withdrawn by directors		(3,258)	-
Equity dividends paid		-	(300,000)
Net cash from financing activities		(177,014)	(569,078)
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>626,368</b>	<b>(1,167,067)</b>
<b>Cash and cash equivalents at beginning of year</b>	23	<b>(1,644,239)</b>	<b>(477,172)</b>
<b>Cash and cash equivalents at end of year</b>	23	<b>(1,017,871)</b>	<b>(1,644,239)</b>

The notes form part of these financial statements

## 1. STATUTORY INFORMATION

Notedome Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

## 2. ACCOUNTING POLICIES

### Basis of preparing the financial statements

These financial statement have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Sales are recognised when stock leaves company premises.

### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- at varying rates on cost
Motor vehicles	- at varying rates on cost

### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### Financial instruments

#### Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans and hire purchase contracts are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that that have been enacted or substantively enacted by the balance sheet date.

continued...

[Notes to the Financial Statements – continued](#)  
[for the Year Ended 31 March 2020](#)

**2. ACCOUNTING POLICIES – continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Asset obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.3.20	31.3.19
	£	£
United Kingdom	4,626,265	5,255,790
Europe	3,690,070	3,985,765
Rest of the world	2,750,310	2,540,073
	11,066,645	11,781,628

Continued...

Notes to the Financial Statement – continued  
for the Year Ended 31 March 2020

**4. EMPLOYEES AND DIRECTORS**

	<b>31.3.20</b>	31.3.19
	<b>£</b>	<b>£</b>
Wages and salaries	<b>921,306</b>	1,056,097
Social security costs	<b>95,423</b>	84,127
Other pension costs	<b>89,754</b>	31,027
	<b>1,106,483</b>	1,171,251

The average monthly number of employees during the Year was as follows:

	<b>31.3.20</b>	31.3.19
Senior management	<b>4</b>	5
Engineering	<b>16</b>	15
Administration	<b>5</b>	5
Finance	<b>1</b>	2
	<b>26</b>	27

	<b>31.3.20</b>	31.3.19
	<b>£</b>	<b>£</b>
Directors' remuneration	<b>170,735</b>	367,156
Director's pension contributions to money purchase schemes	<b>51,173</b>	-
The number of directors to whom retirement benefits were accruing was as follows:		
Money Purchase schemes	<b>3</b>	-

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	<b>31.3.20</b>	31.3.19
	<b>£</b>	<b>£</b>
Other operating leases	<b>38,000</b>	38,000
Depreciation – owned assets	<b>65,044</b>	67,577
Depreciation – assets on hire purchase contracts	<b>3,997</b>	8,658
Profit on disposal of fixed assets	<b>8,952</b>	-
Foreign exchange differences	<b>37,899</b>	(12,477)
Bad debts	<b>212,177</b>	-

**6. AUDITORS' REMUNERATION**

	<b>31.3.20</b>	31.3.19
	<b>£</b>	<b>£</b>
Fees payable to the company's auditors for the audit of the company's financial statements	<b>14,500</b>	14,500
Auditors' remuneration for non audit work	<b>3,097</b>	963

Continued....

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.20	31.3.19
	£	£
Bank loan interest	9,667	15,521
Factoring charges	49,023	41,766
Hire purchase	349	1,037
	<b>59,039</b>	<b>58,324</b>

**8. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.3.20	31.3.19
	£	£
Current tax:		
UK corporation tax	92,635	56,453
Prior year	211	262
Total current tax	<b>92,846</b>	<b>56,715</b>
Deferred tax	(2,160)	8,357
Tax on profit	<b>90,686</b>	<b>65,072</b>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.20	31.3.19
	£	£
Profit before tax	<b>711,414</b>	646,437
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 – 19%)	<b>135,169</b>	122,823
Effects of:		
Expenses not deductible for tax purposes	3,503	1,758
Capital allowances in excess of depreciation	-	(4,073)
Depreciation in excess of capital allowances	5,422	-
Adjustments to tax charge in respect of previous periods	211	262
Research & Development enhanced deduction	(51,459)	(64,055)
Deferred tax movement	(2,160)	8,357
Total tax charge	<b>90,686</b>	<b>65,072</b>

**9. DIVIDENDS**

	31.3.20	31.3.19
	£	£
Ordinary shares of £1 each		
Final	-	<b>300,000</b>

Continued...

Notes to the Financial Statement – continued  
for the Year Ended 31 March 2020

10. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£
<b>COST</b>				
At 1 April 2019	1,200,000	1,487,767	54,920	2,742,687
Additions	-	29,473	-	29,473
Disposals	-	-	(39,386)	(39,386)
At 31 March 2020	1,200,000	1,517,240	15,534	2,732,774
<b>DEPRECIATION</b>				
At 1 April 2019	87,000	996,695	22,386	1,106,081
Charge for year	12,000	53,044	3,997	69,041
Eliminated on disposal	-	-	(17,268)	(17,268)
At 31 March 2019	99,000	1,049,739	9,115	1,157,854
<b>NET BOOK VALUE</b>				
At 31 March 2020	1,101,000	467,501	6,419	1,574,920
At 31 March 2019	1,113,000	491,072	32,534	1,636,606

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

			Motor vehicles
			£
<b>COST</b>			
At 1 April 2019			54,920
Disposals			(39,386)
At 31 March 2020			15,534
<b>DEPRECIATION</b>			
At 1 April 2019			22,386
Charge for year			3,997
Eliminated on disposal			(17,268)
At 31 March 2020			9,115
<b>NET BOOK VALUE</b>			
At 31 March 2020			6,419
At 31 March 2019			32,534

11. STOCKS

	31.3.20	31.3.19
	£	£
Raw materials	1,321,622	1,763,927
Finished goods	212,662	228,261
	1,534,284	1,992,188

Continued...

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20	31.3.19
	£	£
Trade debtors	3,266,292	3,566,746
Amounts owed by group undertakings	1,831,470	1,831,470
Other debtors	129,393	89,015
VAT	45,064	31,882
Prepayments and accrued income	57,518	82,885
	<b>5,329,737</b>	<b>5,601,998</b>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20	31.3.19
	£	£
Bank loans and overdrafts (see note 15)	1,687,482	2,147,603
Hire purchase contracts (see note 16)	-	1,127
Trade creditors	1,060,523	1,628,965
Tax	92,635	56,453
Social security and other taxes	23,024	22,843
Director's current accounts	-	3,258
Accruals and deferred income	-	13,107
Accrued expenses	32,649	94,500
	<b>2,896,313</b>	<b>3,967,856</b>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.20	31.3.19
	£	£
Bank loans (see note 15)	105,287	257,912

**15. LOANS**

An analysis of the maturity of loans is given below:

	31.3.20	31.03.19
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,507,482	1,947,599
Bank loans	180,000	200,004
	<b>1,687,482</b>	<b>2,147,603</b>
Amounts falling due between one and two years:		
Bank loans – 1-2 years	105,287	200,004
Amounts falling due between two and five years:		
Bank loans – 2-5 years	-	57,908

Continued...

#### 16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.3.20	31.3.19
	£	£
Gross obligations payable: Within one year	-	1,377
Finance charges repayable: Within one year	-	250
Net obligations repayable: Within one year	-	1,127

  

	Non-cancellable operating leases	
	31.3.20	31.3.19
	£	£
Within one year	38,000	38,000

#### 17. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.20	31.3.19
	£	£
Bank overdraft	1,507,482	1,947,599
Bank loans	285,287	457,916
Hire purchase contracts	-	1,127
	1,792,769	2,406,642

The loans are secured against the fixed and floating assets of the company.

#### 18. PROVISIONS FOR LIABILITIES

	31.3.20	31.3.19
	£	£
Deferred tax Accelerated capital allowances	80,497	82,657
		Deferred tax
		£
Balance at 1 April 2019		82,657
Utilised during year		(2,160)
Balance at 31 March 2020		80,497

Continued...

## 18. PROVISIONS FOR LIABILITIES - continued

Deferred tax is provided to spread the effect of accelerated capital allowances arising on plant and machinery, etc.

## 19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.20	31.3.19
			£	£
3,916	Ordinary	£1	3,916	3,916

## 20. RESERVES

	Retained earnings	Share premium	Capital redemption reserve	Totals
	£	£	£	£
At 1 April 2019	4,966,540	248,271	7,000	5,221,811
Profit for the year	620,728			620,728
As at 31 March 2020	5,587,268	248,271	7,000	5,842,539

The amount included in retained earnings represents distributable reserves.

## 21. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Manali Petrochemicals Limited (incorporated in India) is regarded by the directors as being the company's ultimate parent company.

Manali Petrochemicals Limited is the parent undertaking of the largest group.

The immediate parent company of Notedome Limited is AMCHEM Speciality Chemicals UK Limited. AMCHEM Speciality Chemicals Private Limited is the parent undertaking of the smallest group which includes the company and for which group financial statements are prepared.

Copies of financial statements of AMCHEM Speciality Chemicals Private Limited may be obtained from Manali Petrochemicals Limited, c/o SPIC House, 88, Mount Road, Guindy, Chennai – 600032.

## 22. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.20	31.3.19
	£	£
Profit before taxation	711,414	646,437
Depreciation charges	69,041	76,235
Profit on disposal of fixed assets	8,952	-
Finance costs	59,039	58,324
	848,446	780,996
Decrease/(Increase) in stocks	457,904	(263,600)
Decrease/(Increase) in trade and other debtors	272,261	(792,620)
Decrease in trade and other creditors	(643,219)	(169,917)
<b>Cash generated from operations</b>	<b>(935,392)</b>	<b>(445,141)</b>

Continued...

Notes to the Financial Statements – continued  
for the Year Ended 31 March 2020

**23. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2020**

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	489,611	303,360
Bank overdrafts	(1,507,482)	(1,947,599)
	<u>(1,017,871)</u>	<u>(1,644,239)</u>

**Year ended 31 March 2019**

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	303,360	931,415
Bank overdrafts	(1,947,599)	(1,408,587)
	<u>(1,644,239)</u>	<u>(477,172)</u>

**24. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.19	Cash flow	At 31.3.20
	£	£	£
<b>Net cash</b>			
Cash and cash equivalents	303,360	186,251	489,611
Bank overdrafts	(1,947,599)	440,117	(1,507,482)
	<u>(1,644,239)</u>	<u>626,368</u>	<u>(1,017,871)</u>

<b>Debt</b>			
Finance leases	(1,127)	1,127	-
Debts falling due within 1 year	(200,004)	20,004	(180,000)
Debts falling due after 1 year	(257,912)	152,625	(105,287)
	<u>(459,043)</u>	<u>173,756</u>	<u>(285,287)</u>
<b>Total</b>	<u>(2,103,282)</u>	<u>800,124</u>	<u>(1,303,158)</u>