

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

**OF**

**MANALI PETROCHEMICALS LIMITED  
FOR THE YEAR 2017-2018**

- **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 2018

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED  
(incorporated in Singapore)

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

**GENERAL INFORMATION**

**Director**

Ashwin Chidambaram Muthiah

**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 director present his 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 2018.

In the opinion of the director,

- (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 2018 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 is as follow:

Ashwin Chidambaram Muthiah

**ARRANGEMENTS TO ENABLE DIRECTOR TO ACQUIRE SHARES AND 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 director 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 AND DEBENTURES**

The director 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)**

**DIRECTOR'S INTEREST IN SHARES AND DEBENTURES (...CONT'D)**

|                               | Holdings in which a director is<br>deemed to have an interest |                       |
|-------------------------------|---|-----------------------|
|                               | <u>As at 01.04.17</u>   | <u>As at 31.03.18</u> |
|                               | No. of ordinary shares  |                       |
| <u>The Company</u>            |   |                       |
| Ashwin Chindambaram Muthiah   | 6,158,699   | 6,158,699             |
| <u>The holding company</u>    |   |                       |
| Manali Petrochemicals Limited |   |                       |
| Ashwin Chindambaram Muthiah   | 64,507,524  | 64,507,524            |

**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

7 May 2018

**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 31, which comprise the statement of financial position of the Company as at 31 March 2018, 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 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 2018 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 statement 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.

Singapore

7 May 2018

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JBS PRACTICE PAC  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS

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

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

|                                 | Note | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|---------------------------------|------|---------------------|---------------------|
| <b>ASSETS</b>                   |      |                     |                     |
| <b>Current assets</b>           |      |                     |                     |
| Cash at bank                    | 4    | 277,858             | 128,974             |
| Other receivables               | 5    | 3,783               | -                   |
| Prepayment                      |      | 1,548               | -                   |
|                                 |      | <u>283,189</u>      | <u>128,974</u>      |
| <br><b>Non-current asset</b>    |      |                     |                     |
| Investment in subsidiary        | 6    | 15,170,600          | 15,170,600          |
|                                 |      | <u>15,453,789</u>   | <u>15,299,574</u>   |
| <br><b>LIABILITY</b>            |      |                     |                     |
| <b>Current liability</b>        |      |                     |                     |
| Other payables                  | 7    | 355,570             | 314,572             |
| <b>Total liability</b>          |      | <u>355,570</u>      | <u>314,572</u>      |
| <br><b>NET ASSET</b>            |      |                     |                     |
|                                 |      | <u>15,098,219</u>   | <u>14,985,002</u>   |
| <br><b>SHAREHOLDER'S EQUITY</b> |      |                     |                     |
| Share Capital                   | 8    | 16,421,208          | 16,421,208          |
| Accumulated losses              |      | <u>(1,322,989)</u>  | <u>(1,436,206)</u>  |
| <b>TOTAL EQUITY</b>             |      | <u>15,098,219</u>   | <u>14,985,002</u>   |

*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 2018**

|   | <u>Note</u> | <u>2018</u><br>US\$   | <u>2017</u><br>US\$ |
|---|-------------|-----------------------|---------------------|
| <b>REVENUE</b>  |             |                       |                     |
| Consultancy services income   |             | 225,000               | -                   |
| Dividend income   |             | 526,091               | -                   |
| Other income  | 9           | 227,451               | 103,563             |
| <b>Total revenue</b>  |             | <u>103,563</u>        | <u>-</u>            |
| <b>EXPENSES</b>   |             |                       |                     |
| Employee benefits expense   | 10          | 734,635               | 960,508             |
| Other operating expenses  | 11          | 108,190               | 514,260             |
| Finance costs   | 12          | -                     | 22,605              |
| <b>Total expenses</b>   |             | <u>842,825</u>        | <u>1,497,373</u>    |
| <b>Profit/(loss) before income tax</b>  |             | <b>135,717</b>        | (1,393,810)         |
| <b>Income tax expense</b>   | 13          | <b>(22,500)</b>       | -                   |
| <b>Net profit/(loss), representing total comprehensive income/(loss) for the year</b> |             | <u><b>113,217</b></u> | <u>(1,393,810)</u>  |

*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 2018**

|   | <u>Share Capital</u><br><u>US\$</u> | <u>Accumulated</u><br><u>losses</u><br><u>US\$</u> | <u>Total</u><br><u>US\$</u> |
|---|-------------------------------------|--|-----------------------------|
| <b><u>2018</u></b>  |                                     |  |                             |
| Balance as at 1 April 2017  | 16,421,208                          | (1,436,206)  | 14,985,002                  |
| Issuance of shares (Note 8)   | 15,676,208                          | -  | 15,676,208                  |
| Net profit, representing total<br>comprehensive income for the year | -                                   | 113,217  | 113,217                     |
| Balance as at 31 March 2018   | <u>16,421,208</u>                   | <u>(1,322,989)</u>                                 | <u>15,098,219</u>           |
| <b><u>2017</u></b>  |                                     |  |                             |
| Balance as at 1 April 2016  | 745,000                             | (42,396)   | 702,604                     |
| Issuance of shares  | 15,676,208                          | -  | 15,676,208                  |
| Net loss, representing total<br>comprehensive loss for the year     | -                                   | (1,393,810)  | (1,393,810)                 |
| Balance as at 31 March 2017   | <u>16,421,208</u>                   | <u>(1,436,206)</u>                                 | <u>14,985,002</u>           |

*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 2018**

|  | <u>Note</u> | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|--|-------------|---------------------|---------------------|
| <b><u>Cash Flows From Operating Activities</u></b>           |             |                     |                     |
| Profit/(loss) before income tax                              |             | <b>135,717</b>      | (1,393,810)         |
| <b>Adjustment for :</b>                                      |             |                     |                     |
| Dividend income  |             | <b>(526,091)</b>    | -                   |
| Interest paid  | 12          | -                   | 22,605              |
| <b>Operating cash flow before changes in working capital</b> |             | <b>(390,374)</b>    | (1,371,205)         |
| Changes in working capital:                                  |             |                     |                     |
| Other receivables  |             | <b>(3,783)</b>      | -                   |
| Other payables   |             | <b>40,998</b>       | 312,721             |
| Prepayment   |             | <b>(1,548)</b>      | 36,300              |
| <b>Cash used in operating activities</b>                     |             | <b>(354,707)</b>    | (1,022,184)         |
| Withholding tax paid   |             | <b>(22,500)</b>     | -                   |
| <b>Net cash used in operating activities</b>                 |             | <b>(377,207)</b>    | (1,022,184)         |
| <b>Cash Flows From Investing Activity</b>                    |             |                     |                     |
| Investment in subsidiary                                     | 6           | -                   | (15,170,600)        |
| Dividend received  |             | <b>526,091</b>      | -                   |
| <b>Net cash generated from/(used in) investing activity</b>  |             | <b>526,091</b>      | (15,170,600)        |
| <b>Cash Flows From Financing Activities</b>                  |             |                     |                     |
| Proceeds from issuance of ordinary shares                    | 8           | -                   | 15,676,208          |
| Related party  |             | -                   | 8,137               |
| Interest paid  |             | -                   | (22,605)            |
| <b>Net cash generated from financing activities</b>          |             | -                   | 15,645,466          |
| <b>Net increase/(decrease) in cash at bank</b>               |             | <b>148,884</b>      | (547,318)           |
| <b>Cash at bank at beginning of the financial year</b>       |             | <b>128,974</b>      | 676,292             |
| <b>Cash at bank at end of the financial year</b>             |             | <b>277,858</b>      | 128,974             |

*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 2018**

**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 other investment holding companies, business and management consultancy services and wholesale of petrochemical products.

The financial statements of the Company for the financial year ended 31 March 2018 were authorised for issue by the director on 7 May 2018.

**2. SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). 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 2017, 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 financial statements.

These financial 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 6 to the financial statements. The registered office of Manali Petrochemicals Limited is at SPIC House, 88 Mount Road Guindy, Chennai, Tamil Nadu-600032.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

b) Currency translation (...cont'd)

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) Cash at bank

Cash at bank pertains to balances with financial institutions which are subject to an insignificant risk of change in value.

d) Financial assets

(i) Classification

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "loans and receivables", "held to maturity investments" and "available-for-sale" financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of the reporting period which are presented as non-current assets. Loans and receivables are presented as "cash at bank" and "other receivables" on the statement of financial position.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

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

(ii) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial instrument and or allocating interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter year. Income is recognised on an effective interest rate basis for debt instruments.

(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 financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is transferred to profit or loss.

(iv) *Initial measurement*

Financial assets are initially recognized at fair value plus transaction costs.

(v) *Subsequent measurement*

Loans and receivables are subsequently carried at amortised cost using the effective interest method less allowance for impairment.

(vi) *Impairment*

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence arises.



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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

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

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

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidences that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent year when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior years.

e) Investment in subsidiary

Unquoted equity investment in subsidiary is carried at cost less accumulated impairment losses in the Company' 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.

f) 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.

g) 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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

h) 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.

i) Impairment of non-financial asset

*Investments in subsidiary*

Investment in subsidiary is tested for impairment whenever there is any objective evidence or indication that this asset 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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

i) Impairment of non-financial asset (...cont'd)

*Investment in subsidiary (...cont'd)*

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.

j) 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.

k) Income tax

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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

K) Income tax (...cont'd)

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).

l) Government grants

*Temporary Employment Credit*

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.

m) 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.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

n) Related parties

A related party is defined as follows:

- (i) A person or a close member of that person' 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.
  
- (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)a 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.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

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

o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the business, not of discounts and sales related taxes.

The Company recognises revenue when the amount revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured.

- (i) Consultancy service income is recognised when the service is rendered.
- (ii) Dividend income is recognised when the right to receive payment is established.
- (iii) Revenue from commission income is recognised upon rendering of services by reference to the completion of relevant with the customers.

**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:

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**

**(Incorporated in Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018  
(...CONT'D)**

**3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS 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 of –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 BANK**

The Company's cash bank is denominated in the following currencies:

|                       | <b>2018</b>    | 2017    |
|-----------------------|----------------|---------|
|                       | <b>US\$</b>    | US\$    |
| Singapore dollars     | <b>44,887</b>  | 7,573   |
| Great British pounds  | <b>133,747</b> | 4,271   |
| United States dollars | <b>99,224</b>  | 117,130 |
|                       | <b>277,858</b> | 128,974 |

**5. OTHER RECEIVABLES**

|                       | <b>2018</b>    | 2017    |
|-----------------------|----------------|---------|
|                       | <b>US\$</b>    | US\$    |
| Commission receivable | <b>3,013</b>   | -       |
| Related party         | <b>770</b>     | -       |
|                       | <b>277,858</b> | 128,974 |

The amount due from a related party is unsecured, interest free and repayable on demand.

Other receivables are denominated in United State dollars.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**  
**(...CONT')**

**6. INVESTMENT IN SUBSIDIARY**

|  | <b>2017</b><br><b>US\$</b> | 2016<br>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 2018 are as follows:

| <u>Name of subsidiary/<br/>Country of Incorporation</u>  | <u>Principal activities</u>                                     | <u>Financial<br/>year end</u> | <u>Percentage of equity<br/>held</u> |                  |
|--|---|-------------------------------|--------------------------------------|------------------|
|  |   |                               | <u>2018</u><br>%                     | <u>2017</u><br>% |
| Amchem Speciality Chemicals UK<br>Limited<br>(United Kingdom)  | Investment holdings   | 31 March                      | 100                                  | 100              |
| <i>Held by Amchem<br/>Speciality Chemicals UK<br/>Limited</i><br>Notedom Limited<br>(United Kingdom) | Manufacturing of<br>Neuthane<br>Polyurethane Cast<br>Elastomers | 31 March                      | 100                                  | 100              |

**7. OTHER PAYABLES**

|                                 | <b>2018</b><br><b>US\$</b> | 2017<br>US\$ |
|---------------------------------|----------------------------|--------------|
| Accruals for operating expenses | <b>355,054</b>             | 314,083      |
| Third party                     | <b>516</b>                 | 489          |
|                                 | <b>355,570</b>             | 314,572      |

Other payables are denominated in the following currencies:

|                       | <b>2018</b><br><b>US\$</b> | 2017<br>US\$ |
|-----------------------|----------------------------|--------------|
| Singapore dollars     | <b>355,570</b>             | 4,102        |
| United States dollars | -                          | 310,470      |
|                       | <b>355,570</b>             | 314,572      |



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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**  
(...CONT'D)

**8. SHARE CAPITAL**

|                          | <u>2018</u>                         | <u>2017</u> | <u>2018</u>       | <u>2017</u> |
|--------------------------|-------------------------------------|-------------|-------------------|-------------|
|                          | Number of ordinary shares<br>issued |             | US\$              | US\$        |
| At beginning of the year | <b>16,421,208</b>                   | 745,000     | <b>16,421,208</b> | 745,000     |
| Allotment of shares      | -                                   | 15,676,208  | -                 | 15,676,208  |
| At the end of the 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.

**9. OTHER INCOME**

|  | <u>2018</u>    | <u>2017</u> |
|--|----------------|-------------|
|  | US\$           | US\$        |
| Commission and reimbursement received          | <b>227,061</b> | -           |
| Foreign exchange gain                          | -              | 103,079     |
| Government grant – Temporary Employment Credit | <b>390</b>     | 484         |
|  | <b>227,451</b> | 103,563     |

**10. EMPLOYEE BENEFITS EXPENSE**

|                          | <u>2018</u>    | <u>2017</u> |
|--------------------------|----------------|-------------|
|                          | US\$           | US\$        |
| Staff salaries and bonus | <b>712,435</b> | 943,066     |
| CPF                      | <b>9,762</b>   | 10,849      |
| Skill development fund   | <b>97</b>      | 79          |
| Medical fees             | <b>12,341</b>  | 6,514       |
|                          | <b>734,635</b> | 960,508     |

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
(...CONT'D)

**11. OTHER OPERATING EXPENSES**

|                   | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|-------------------|---------------------|---------------------|
| Professional fees | 89,370              | 497,514             |
| Others            | 18,820              | 16,746              |
|                   | <u>108,190</u>      | <u>514,260</u>      |

**12. FINANCE COSTS**

|                             | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|-----------------------------|---------------------|---------------------|
| Interest on loan – director | -                   | 22,605              |

**13. INCOME TAX EXPENSE**

|                                    | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|------------------------------------|---------------------|---------------------|
| Current year provision             | -                   | -                   |
| Foreign tax paid – withholding tax | 22,500              | -                   |
|                                    | <u>22,500</u>       | <u>-</u>            |

The current year's income tax expense/(benefit) varied from the amount of income tax determined by applying the applicable Singapore statutory income tax rate of 17% (2017:17%) to the profit/(loss) before income tax as a result of the following differences:

|  | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|--|---------------------|---------------------|
| Profit/(loss) before income tax                | <u>135,717</u>      | <u>1,393,810</u>    |
| Income tax expense/(benefit) at statutory rate | 23,072              | (236,948)           |
| Non-allowable items                            | 70,046              | 236,948             |
| Non-taxable income                             | (89,435)            | -                   |
| Foreign tax paid                               | 22,500              | -                   |
| Tax exemption                                  | (2,155)             | -                   |
| Tax rebate                                     | (75)                | -                   |
| Others   | (1,453)             | -                   |
|  | <u>22,500</u>       | <u>-</u>            |

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
(...CONT'D)

**14. IMMEDIATE AND ULTIMATE HOLDING COMPANY**

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

**15. 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>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|--|---------------------|---------------------|
| Consultancy services income from holding company | <b>180,000</b>      | -                   |
| Consultancy services income from related party   | <b>45,000</b>       | -                   |
| Dividend income from subsidiary                  | <b>526,091</b>      | -                   |
| Loan interest paid to director                   | -                   | 22,605              |
| Loan from Director                               | -                   | 2,668,000           |
| Advance from related party                       | -                   | 15,256              |

(b) Compensation of Key management personnel

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

|                          | <u>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|--------------------------|---------------------|---------------------|
| Short-term benefits      | <b>712,435</b>      | 943,066             |
| Post-employment benefits | <b>9,762</b>        | 10,849              |

**16. FINANCIAL RISK MANAGEMENT**

*Financial risk factors*

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

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
(...CONT'D)

**16. 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 Sterling 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><br>US\$ | <u>GBP</u><br>US\$ |
|--|--------------------|--------------------|
| <b><u>2018</u></b>                           |                    |                    |
| <b>Financial asset</b>                       |                    |                    |
| Cash at bank                                 | 44,887             | 133,747            |
| <b>Financial liability</b>                   |                    |                    |
| Other payable                                | (355,570)          | -                  |
| Currency exposure on net financial liability | (310,683)          | 133,747            |
| <br>   |                    |                    |
|  | <u>SGD</u><br>US\$ | <u>GBP</u><br>US\$ |
| <b><u>2017</u></b>                           |                    |                    |
| <b>Financial asset</b>                       |                    |                    |
| Cash at bank                                 | 7,573              | 4,271              |
| <b>Financial liability</b>                   |                    |                    |
| Other payable                                | (4,102)            | -                  |
| Currency exposure on net financial asset     | 3,471              | 4,271              |

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
(...CONT'D)

**16. FINANCIAL RISK MANAGEMENT (...CONT'D)**

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

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

(i) Foreign currency risk (...cont'd)

At 31 March 2018, if the Singapore dollars and Great British pounds had strengthened/weakened by 7% and 12% respectively (2017: 4% and 13%) 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 total equity would have been higher/lower approximately by:

|                      | <b>2018</b>   | <b>2017</b> |
|----------------------|---------------|-------------|
|                      | <b>US\$</b>   | <b>US\$</b> |
| Singapore dollars    | <b>21,000</b> | 140         |
| Great British pounds | <b>16,000</b> | 560         |

(ii) Interest rate risk

The Company has no significant exposure to market risk for changes in interest rates as it has no interest bearing borrowings.

*(a) 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 at bank and other receivables. Cash at banks is placed with financial institution with good credit ratings.

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.

*(b) 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 at bank as disclosed in Note 4.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
(...CONT'D)

**16. FINANCIAL RISK MANAGEMENT (...CONT'D)**

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

(c) *Liquidity risk (...cont'd)*

*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>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|-----------------------------------|---------------------|---------------------|
| <b>On demand or within 1 year</b> |                     |                     |
| Other payables                    | 355,570             | 314,572             |

(d) *Fair values measurement*

The carrying amounts of cash at bank and 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>2018</u><br>US\$ | <u>2017</u><br>US\$ |
|----------------------------|---------------------|---------------------|
| <b>Financial asset</b>     |                     |                     |
| Loans and receivables:     |                     |                     |
| Cash at bank               | <b>277,858</b>      | 128,974             |
| Other receivables          | <b>3,783</b>        | -                   |
| <b>Financial liability</b> |                     |                     |
| Amortised cost:            |                     |                     |
| Other payables             | <b>355,570</b>      | 314,572             |

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

**17. 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' overall strategies remained unchanged for the financial years ended 31 March 2018 and 31 March 2017.

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

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

| <u>Description</u>  | Effective for annual<br>periods beginning on or<br><u>after</u> |
|---|---|
| FRS 115: <i>Revenue from Contracts with Customers</i>   | 1 January 2018  |
| FRS 109: <i>Financial instruments</i>   | 1 January 2018  |
| Amendments to FRS 115: <i>Clarifications to FRS 115 Revenue From Contracts with Customers</i> | 1 January 2018  |

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 financial effect on the financial statements in the period of initial application except for the following.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

**18. NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE (...CONT'D)**

***(a) FRS 109 Financial instruments***

FRS 109 replaces FRS 39 Financial instruments: Recognition and Measurement and introduced new requirements for (i) the classification and measurement of financial asset and financial liabilities (ii) general hedge accounting and (iii) impairment requirements for financial assets.

*Classification and measurement*

Under FRS 109, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Company's business model for managing the financial assets and contractual cash flow characteristics of the financial assets. Fair value gain or losses will be recognised in profit or loss except for certain equity investments, for which the Company can elect to recognise the gains and losses in other comprehensive income. Gains and losses realised on the sale of financial assets at fair value through other comprehensive income ("FVOCI") are not transferred to profit or loss on sale but reclassified from the FVOCI reserve to retained profits.

Debt instruments that meet the solely payments of principal and interest contractual cash flow characteristics test and where the Company is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets can also be measured at fair value through OCI.

Under FRS 109, there were no changes to the classification and measurement requirements for financial liabilities except for recognition of fair changes arising from changes in own credit risk. For liabilities designed at fair value through profit or loss, such changes are recognised in OCI.

Changes in accounting policies resulting from the adoption of FRS 109 will generally be applied by the Company retrospectively. The Company plans to adopt the exemption in FRS 109 allowing it not to restate comparative information in the financial statements for the financial year ending 31 March 2019. Difference in the carrying amounts of financial assets and financial liabilities resulting from the adoption of FRS 109 are recognised in retained profits as at 1 April 2018.

The Company has completed its preliminary assessment of the classification and measurement of its financial assets and liabilities, and expect that financial assets and liabilities currently measured at amortised cost will continue to qualify for measurement at amortised cost under FRS 109.



**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

**18. NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE (...CONT'D)**

***(a) FRS 109 Financial instruments (...cont'd)***

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

FRS 109 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss impairment model used in FRS 39. This determines the recognition of impairment loss allowance as well as interest revenue. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under FRS 115 Revenue from contracts with customers, lease receivables, loan commitments and certain financial guarantee contracts. The Company will recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these asset when there is a significant increase in credit risk after initial recognition under the three stages model or from initial recognition if the simplified model is applied.

The following financial assets will be subjected to the expected credit loss impairment model under FRS 109:

- Trade receivable recognised under FRS 115;
- Loans to related parties and other receivables amortised costs.

The new standard also introduces expanded disclosure requirements and changes in presentation.

The management does not expect any significant impact arising from the application of the expected credit loss impairment model.

FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness test. It requires an economic relationship between the hedged item and hedging instrument and for the "hedge ratio" to be same as the one management actually use for risk management purpose.

***(b) FRS 115 Revenue from Contracts with Customers***

FRS 115 replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations.

FRS 115 introduces a comprehensive model that applies to revenue from contracts with customers and supersedes all existing revenue recognition requirements under FRS. Revenue is recognised when a customer obtain control of a good or service. A customer obtain control when it has the ability to direct the use of and obtain benefits from the good or service.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
**(...CONT'D)**

**18. NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE (...CONT'D)**

***(b) FRS 115 Revenue from Contracts with Customers (...cont'd)***

The model features a five-step analysis to determine whether, how much and when revenue is cognised, and two approaches for recognising revenue: at a point of time or over time. An entity recognises revenue in accordance with the core principle by applying the following steps:

- Step 1 : Identify the contract(s) with a customer;
- Step 2 : Identify the performance obligations in the contract;
- Step 3 : Determine the transaction price;
- Step 4 : Allocate the transaction price to the performance obligation in the contract;
- Step 5 : Recognise revenue (or as) the entity satisfies a performance obligation.

The core principle is that an entity recognises revenue when control over promised goods or services is transferred to customers in an amount that reflects the consideration to which entity expects to be entitled in exchange for those goods or services.

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company will adopt FRS 115 in the financial year beginning on 1 April 2018 using the full retrospective method in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

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

Report of the Directors and  
Financial Statements for the Year Ended 31 March 2018  
For  
AMCHEM Speciality Chemicals UK Limited

Lee Accounting Services 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 2018

|                    |   |
|--------------------|---|
| DIRECTORS:         | C M Bowry<br>A C Muthiah  |
| REGISTERED OFFICE: | Avery House<br>8 Avery Hill Road<br>London<br>SE9 2BD   |
| REGISTERED NUMBER: | 10329758 (England and Wales)  |
| AUDITORS:          | Lee Accounting Services Limited<br>Trading as Lee & Co<br>Chartered Accountants & Statutory Auditors<br>26 High Street<br>Rickmansworth<br>Hertfordshire<br>WD3 1ER |

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Report of the Directors  
For the Year Ended 31 March 2018

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

C M Bowry  
A C Muthiah

**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 Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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:04.05.2018

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

**Opinion**

We have audited the financial statements of AMCHEM Speciality Chemicals UK Limited (the 'company') for the year ended 31 March 2018 which comprise the Income Statement, Balance Sheet, 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).

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.

**In our opinion the financial statements:**

- Give a true and fair view of the state of the company's affairs as at 31 March 2018 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 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.

**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 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.

### **Our 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 statement 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.

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

Date: 11.05.2018



AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Income Statement

For the Year Ended 31 March 2018

|  |          | Year Ended |         | Period  |               |
|--|----------|------------|---------|---------|---------------|
|  |          | 31.3.18    |         | 15.8.16 |               |
| to 31.3.17                               |          |            |         |         |               |
|  | Notes    | £          | £       | £       | £             |
| <b>TURNOVER</b>                          |          |            | 120,000 |         | <b>60,000</b> |
| Administrative expenses                  |          |            | 34,632  |         | <b>20,974</b> |
| <b>OPERATING PROFIT and PROFIT</b>       | <b>4</b> |            | 85,368  |         | <b>39,026</b> |
|  |          | 350,000    |         | -       |               |
| Income from shares in group undertakings |          |            |         |         |               |
| Interest receivable and similar income   |          | 1,060      |         | -       |               |
|  |          |            | 351,060 |         | -             |
| <b>PROFIT BEFORE TAXATION</b>            |          |            | 436,428 |         | <b>39,026</b> |
| <b>Tax on profit</b>                     |          |            | 16,418  |         | 16,418        |
|  |          |            | 420,010 |         | <b>31,221</b> |
| <b>PROFIT FOR THE FINANCIAL PERIOD</b>   |          |            |         |         |               |

*The notes from part of these financial statements*

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Balance Sheet  
31 March 2018

|  | Note | 31.3.18          |                    | 31.3.17          |                    |
|--|------|------------------|--------------------|------------------|--------------------|
|  |      | £                | £                  | £                | £                  |
| <b>FIXED ASSETS</b>                          |      |                  |                    |                  |                    |
| Tangible assets                              | 6    |                  | <b>304</b>         |                  | <b>406</b>         |
| Investments                                  | 7    |                  | <b>13,327,165</b>  |                  | <b>13,627,165</b>  |
|  |      |                  | <b>13,327,469</b>  |                  | <b>13,627,571</b>  |
| <b>CURRENT ASSETS</b>                        |      |                  |                    |                  |                    |
| <b>Debtors</b>                               | 8    | <b>36,000</b>    |                    | -                |                    |
| Cash at bank                                 |      | <b>368,015</b>   |                    | <b>203,824</b>   |                    |
|  |      | <b>404,015</b>   |                    | <b>203,824</b>   |                    |
| <b>CREDITORS</b>                             |      |                  |                    |                  |                    |
| Amounts falling due within one year          | 9    | <b>2,180,195</b> |                    | <b>2,300,093</b> |                    |
| <b>NET CURRENT LIABILITIES</b>               |      |                  | <b>(1,776,180)</b> |                  | <b>(2,096,269)</b> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |      |                  | <b>11,551,289</b>  |                  | <b>11,531,302</b>  |
| <b>PROVISIONS FOR LIABILITIES</b>            |      |                  | <b>58</b>          |                  | <b>81</b>          |
| <b>NET ASSETS</b>                            |      |                  | <b>11,551,231</b>  |                  | <b>11,531,221</b>  |
| <b>CAPITAL AND RESERVES</b>                  |      |                  |                    |                  |                    |
| Called up share capital                      |      |                  | <b>11,500,000</b>  |                  | <b>11,500,000</b>  |
| Retained earnings                            |      |                  | <b>51,231</b>      |                  | <b>31,221</b>      |
| <b>SHAREHOLDERS' FUNDS</b>                   |      |                  | <b>11,551,231</b>  |                  | <b>11,531,221</b>  |

The financial statements have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 04.5.18 and were signed on its behalf by:

.....  
C M Bowry – Director

*The notes form part of these financial statements*

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Statement of Changes in Equity  
For the Year Ended 31 March 2018

|                                 | Called up<br>share capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|---------------------------------|---------------------------------|---------------------------|----------------------|
| <b>Changes in equity</b>        |                                 |                           |                      |
| Issue of share capital          | 11,500,000                      | -                         | 11,500,000           |
| Total comprehensive income      | -                               | 31,221                    | 31,221               |
| <b>Balance at 31 March 2017</b> | <u>11,500,000</u>               | <u>31,221</u>             | <u>11,531,221</u>    |
| <br>                            |                                 |                           |                      |
| <b>Changes in equity</b>        |                                 |                           |                      |
| Issue of share capital          | -                               | (400,000)                 | (400,000)            |
| Total comprehensive income      | -                               | 420,010                   | 420,010              |
| <b>Balance at 31 March 2018</b> | <u>11,500,000</u>               | <u>51,231</u>             | <u>11,551,531</u>    |

*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 provisions of Section 1A "Small Entities" of 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.

### **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 recognized 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.

## 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 (2017 – 2).

## 4. OPERATING PROFIT

The operating profit is stated after charging:

Period

|   | 15.8.16           |                   |
|---|-------------------|-------------------|
|   | Year Ended        | to                |
|   | 31.3.18           | 31.3.17           |
|   | £                 | £                 |
| Depreciation – owned assets               | 102               | 102               |
| Auditor's remuneration                    | 500               | 500               |
| Auditor's remuneration for non audit work | 750               | 750               |
|   | <u>          </u> | <u>          </u> |

## 5. DIVIDENDS

Period

|         | 15.8.16           |                   |
|---------|-------------------|-------------------|
|         | Year Ended        | to                |
|         | 31.3.18           | 31.3.17           |
|         | £                 | £                 |
| Interim | 400,000           | -                 |
|         | <u>          </u> | <u>          </u> |

Continued...

**6. TANGIBLE FIXED ASSETS**

|                       | Plant and<br>machinery<br>etc<br>£ |
|-----------------------|------------------------------------|
| <b>COST</b>           |                                    |
| Additions             |                                    |
| And 31 March 2018     | 508                                |
| <b>DEPRECIATION</b>   |                                    |
| At 1 April 2017       | 102                                |
| Charge for year       | 102                                |
| At 31 March 2018      | 204                                |
| <b>NET BOOK VALUE</b> |                                    |
| At 31 March 2018      | 304                                |
| At 31 March 2017      | 406                                |

**7. FIXED ASSET INVESTMENTS**

|                       | Shares in<br>group<br>undertakings<br>£ |
|-----------------------|---|
| <b>COST</b>           |   |
| At 1 April 2017       | 13,627,165                              |
| Disposals             | (300,000)                               |
| At 31 March 2018      | 13,327,165                              |
| <b>NET BOOK VALUE</b> |   |
| At 31 March 2018      | 13,327,165                              |
| At 31 March 2017      | 13,627,165                              |

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

|               | <b>31.3.18</b> | <b>31.3.17</b> |
|---------------|----------------|----------------|
|               | £              | £              |
| Trade debtors | 36,000         | -              |

Continued...

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Notes for the Financial Statements - continued  
For the Period 15 August 2016 to 31 March 2017

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

|                                    | <b>31.3.18</b>   | <b>31.3.17</b>   |
|------------------------------------|------------------|------------------|
|                                    | <b>£</b>         | <b>£</b>         |
| Amounts owed to group undertakings | 2,131,470        | 2,281,470        |
| Taxation and security              | 22,360           | 14,724           |
| Other creditors                    | 26,365           | 3,899            |
|                                    | <u>2,180,195</u> | <u>2,300,093</u> |

**10. 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 2018

For

Notedome Limited

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



Notedome Limited (Registered number: 01326364)

Contents of the Financial Statements  
For the Year Ended 31 March 2018

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Notedome Limited

Company Information

For the Year Ended 31 March 2018

**DIRECTORS:**

B Lear  
D Lear  
C M Bowry  
A C Muthiah  
M Ravi

**REGISTERED OFFICE:**

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

**REGISTERED NUMBER:**

01326364 (England and Wales)

**AUDITORS:**

Lee Accounting Services Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
W D3 1ER

Notedome Limited (Registered number: 01326364)

Strategic Report

For the Year Ended 31 March 2018

The directors present their strategic report for the year ended 31 March 2018.

2017/18 was a year of consolidation on sales with key export markets still struggling due to the low prices in commodities.

Typical markets such as mining and oil and gas exploration remained quiet with little new investment. We await for signs that markets are improving.

Current year figures show a significant fall in gross margin from 37.2% to 27.2%, which was due to a combination of higher raw material prices and generally weaker international sales.

The net profit percentage for the year was reduced to 5.7% (2017: 15.3%). There were a number of one off expenses as a result of the acquisition that resulted in the decline in net profit.

The next financial year into 2018/19 will see us looking to extend our manufacturing into Asia to consolidate and grow this market and integrate new systems from our sister company into our existing global sales network.

The risks to the business remain the volatility of the exchange rate and the potential for shortage of key raw materials leading to increased raw material prices.

**ON BEHALF OF THE BOARD:**

.....  
B Lear – Director

Date: 14.05.2018

Notedome Limited (Registered number: 01326364)

Report of the Directors

For the Year Ended 31 March 2018

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

**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**

An interim dividend of 89.38 per share was paid on 31 March 2018. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2018 will be £350,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

B Lear

D Lear

C M Bowry

A C Muthiah

M Ravi

**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 asset 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 2018

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

.....  
B Lear – Director

Date: 14 May 2017

Report of the Independent Auditors to the Members of  
Notedome Limited

**Opinion**

We have audited the financial statements of Notedome Limited (the 'company') for the year ended 31 March 2018 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).

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.

In our opinion the financial statements:

- give a true fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices; 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 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, 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 matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the 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 explanation we require for our audit.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages 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.

**Our 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.

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

14 May 2018

Notedome Limited (Registered number: 01326364)

Statement of comprehensive income  
For the Year Ended 31 March 2018

|  |       | Year Ended<br>31.3.18 |                   | Period<br>1.1.16 to 31.3.17 |            |
|--|-------|-----------------------|-------------------|-----------------------------|------------|
|  | Notes | £                     | £                 | £                           | £          |
| <b>TURNOVER</b>                                | 3     |                       | <b>11,987,092</b> |                             | 14,496,601 |
| Cost of Sales                                  |       |                       | <b>8,724,847</b>  |                             | 9,103,445  |
| <b>GROSS PROFIT</b>                            |       |                       | <b>3,262,245</b>  |                             | 5,393,156  |
| Distribution costs                             |       | <b>393,253</b>        |                   | 444,542                     |            |
| Administrative expenses                        |       | <b>2,143,851</b>      |                   | 1,477,507                   |            |
|  |       |                       | <b>2,537,104</b>  |                             | 3,067,224  |
| <b>OPERATING PROFIT</b>                        | 5     |                       | <b>725,141</b>    |                             | 2,325,932  |
| Interest payable and similar expenses          | 7     |                       | <b>43,693</b>     |                             | 104,497    |
| <b>PROFIT BEFORE TAXATION</b>                  |       |                       | <b>681,448</b>    |                             | 2,221,435  |
| Tax on profit                                  | 8     |                       | <b>91,237</b>     |                             | 538,579    |
| <b>PROFIT FOR THE FINANCIAL PERIOD</b>         |       |                       | <b>590,211</b>    |                             | 1,682,856  |
| <b>OTHER COMPREHENSIVE INCOME</b>              |       |                       | -                 |                             | -          |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b> |       |                       | <b>590,211</b>    |                             | 1,682,856  |

The notes form part of these financial statements



NotedomeLimited (Registered number: 01326364)

Balance Sheet  
31 March 2018

|  |       | 31.3.18          |                  | 31.12.17         |           |
|--|-------|------------------|------------------|------------------|-----------|
|  | Notes | £                | £                | £                | £         |
| <b>FIXED ASSETS</b>                          |       |                  |                  |                  |           |
| Tangible assets                              | 10    |                  | <b>1,616,215</b> |                  | 1,660,474 |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                  |           |
| Stocks                                       | 11    | <b>1,728,588</b> |                  | 942,406          |           |
| Debtors                                      | 12    | <b>4,811,742</b> |                  | 4,672,703        |           |
| Cash at bank                                 |       | <b>931,415</b>   |                  | 503,078          |           |
|  |       | <b>7,471,745</b> |                  | <b>6,118,187</b> |           |
| <b>CREDITORS</b>                             |       |                  |                  |                  |           |
| Amounts falling due within one year          | 13    | <b>3,546,186</b> |                  | 2,267,247        |           |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <b>3,925,559</b> |                  | 3,850,940 |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | <b>5,541,774</b> |                  | 5,511,414 |
| <b>CREDITORS</b>                             |       |                  |                  |                  |           |
| Amounts falling due after more than one Year | 14    |                  | <b>(523,112)</b> |                  | (726,302) |
| <b>PROVISION FOR LIABILITIES</b>             | 18    |                  | <b>(74,300)</b>  |                  | (80,961)  |
| <b>NET ASSETS</b>                            |       |                  | <b>4,944,362</b> |                  | 4,704,151 |
| <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>4,685,175</b> |                  | 4,444,964 |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <b>4,944,362</b> |                  | 4,704,151 |

The financial statements were approved by the Board of Directors on 14 May 2018 and were signed on its behalf by:

.....  
B Lear – Director

*The notes form part of these financial statements*

Notedome Limited (Registered number: 01326364)

Statement of Changes in Equity  
For the Year Ended 31 March 2018

|                                  | <b>Called up<br/>Share<br/>Capital</b> | <b>Retained<br/>earnings</b> | <b>Share<br/>premium</b> | <b>Capital<br/>Redemption<br/>Reserve</b> | <b>Total<br/>equity</b> |
|----------------------------------|--|------------------------------|--------------------------|---|-------------------------|
|                                  | <b>£</b>                               | <b>£</b>                     | <b>£</b>                 | <b>£</b>                                  | <b>£</b>                |
| <b>Balance at 1 January 2016</b> | 3,176                                  | 2,883,499                    | 27,011                   | 7,000                                     | 2,920,686               |
| <b>Changes in equity</b>         |  |                              |                          |   |                         |
| Issue of share capital           | 740                                    |                              | 221,260                  | -   | 222,000                 |
| Dividends                        | -                                      | (121,391)                    | -                        | -   | (121,391)               |
| Total comprehensive income       | -                                      | 1,682,856                    | -                        | -   | 1,682,856               |
| <b>Balance at 31 March 2017</b>  | <u>3,916</u>                           | <u>4,444,964</u>             | <u>248,271</u>           | <u>7,000</u>                              | <u>4,704,151</u>        |
| <b>Changes in equity</b>         |  |                              |                          |   |                         |
| Dividends                        | -                                      | (350,000)                    | -                        | -   | (350,000)               |
| Total comprehensive income       | -                                      | 590,211                      | -                        | -   | 590,211                 |
| <b>Balance at 31 March 2018</b>  | <u>3,916</u>                           | <u>4,685,175</u>             | <u>248,271</u>           | <u>7,000</u>                              | <u>4,944,362</u>        |

*The notes form part of these financial statements*

Notedome Limited (Registered number: 01326364)

Cash flow Statement

For the Year Ended 31 March 2018

|   |       | Year Ended<br>31.3.18 | Period<br>1.1.16<br>To<br>31.3.17 |
|---|-------|-----------------------|-----------------------------------|
|   | Notes | £                     | £                                 |
| <b>Cash flows from operating activities</b>     |       |                       |                                   |
| Cash generated from operations                  | 24    | 72,330                | 462,411                           |
| Interest paid                                   |       | (42,872)              | (96,714)                          |
| Interest element of hire purchase payments paid |       | (821)                 | (7,783)                           |
| Tax paid  |       | (248,940)             | (714,578)                         |
| Net cash from operating activities              |       | <u>(220,303)</u>      | <u>(356,664)</u>                  |
| <b>Cash flows from investing activities</b>     |       |                       |                                   |
| Purchase of tangible fixed assets               |       | (50,873)              | (75,559)                          |
| Sale of tangible fixed assets                   |       | 24,051                | 14,250                            |
| Net cash from investing activities              |       | <u>(26,822)</u>       | <u>(61,309)</u>                   |
| <b>Cash flows from financing activities</b>     |       |                       |                                   |
| New loans in year                               |       | -                     | 1,000,000                         |
| Loan repayments in year                         |       | (200,003)             | (405,681)                         |
| Capital repayments in year                      |       | (9,060)               | (49,236)                          |
| Amount withdrawn by directors                   |       | -                     | (2,238,923)                       |
| Share issue                                     |       | -                     | 222,000                           |
| Equity dividends paid                           |       | (350,000)             | (121,391)                         |
| Net cash from financing activities              |       | <u>(559,063)</u>      | <u>(1,593,231)</u>                |
| <b>Decrease in cash and cash equivalents</b>    |       |                       |                                   |
| Cash and cash equivalents at beginning of year  | 25    | <u>329,016</u>        | <u>(2,011,204)</u>                |
| <b>Cash and cash equivalents at end of year</b> | 25    | <u>(477,172)</u>      | <u>329,016</u>                    |

*The notes form part of these financial statements*

Notedome Limited (Registered number: 01326364)

Notes to the Financial Statements  
For the Year Ended 31 March 2018

## **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.

### **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 period 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.

### **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.

continued...

**2. ACCOUNTING POLICIES – continued**

**Research and development**

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

During the year the total value of research and development expenditure written off was £204,288 (2017: £242,616).

**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.

**Foreign currencies**

Monetary assets and liabilities are denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the balance sheet date. All differences are taken to profit and loss account in the period in which they arise.

**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:

|                   | <b>Year Ended</b><br><b>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|-------------------|-------------------------------------|-----------------------------------|
|                   | <b>£</b>                            | <b>£</b>                          |
| United Kingdom    | <b>6,325,718</b>                    | 7,727,205                         |
| Europe            | <b>4,022,467</b>                    | 3,940,753                         |
| Rest of the world | <b>1,638,907</b>                    | 2,828,643                         |
|                   | <b>11,987,092</b>                   | 14,496,601                        |

**4. EMPLOYEES AND DIRECTORS**

|                       | <b>Year Ended</b><br><b>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|-----------------------|-------------------------------------|-----------------------------------|
|                       | <b>£</b>                            | <b>£</b>                          |
| Wages and salaries    | <b>979,018</b>                      | 893,740                           |
| Social security costs | <b>98,203</b>                       | 93,386                            |
| Other pension costs   | <b>32,850</b>                       | 43,427                            |
|                       | <b>1,110,071</b>                    | 1,030,553                         |

Continued...

**4. EMPLOYEES AND DIRECTORS**

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

|                   | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.18 |
|-------------------|-------------------------------|-----------------------------------|
|                   | <b>£</b>                      | <b>£</b>                          |
| Senior management | 4                             | 4                                 |
| Engineering       | 16                            | 16                                |
| Administration    | 6                             | 6                                 |
| Finance           | 2                             | 2                                 |
|                   | <u>28</u>                     | <u>28</u>                         |

|  | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.18 |
|--|-------------------------------|-----------------------------------|
|  | <b>£</b>                      | <b>£</b>                          |
| Directors' remuneration                                    | 282,356                       | 161,504                           |
| Directors' pension contributions to money purchase schemes | -                             | 3,634                             |

The number of directors to whom retirement benefits were accruing was as follows:

|                        |   |          |
|------------------------|---|----------|
| Money purchase schemes | - | <u>3</u> |
|------------------------|---|----------|

Information regarding the highest paid director for the year ended 31 March 2018 is as follows:

|                | Year Ended<br>31.3.18 |
|----------------|-----------------------|
|                | <b>£</b>              |
| Emoluments etc | <u>141,287</u>        |

**5. OPERATING PROFIT**

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

|  | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|--|-------------------------------|-----------------------------------|
|  | <b>£</b>                      | <b>£</b>                          |
| Other operating leases                           | 44,902                        | 64,809                            |
| Depreciation – owned assets                      | 71,498                        | 129,805                           |
| Depreciation – assets on hire purchase contracts | 7,163                         | 6,565                             |
| Profit on disposal of fixed assets               | (1,706)                       | (262)                             |
| Foreign exchange differences                     | 136,933                       | (131,832)                         |
|  | <u>136,933</u>                | <u>(131,832)</u>                  |

Continued....

Notedome Limited (Registered number: 01326364)

Notes to the Financial Statement – continued  
For the Year Ended 31 March 2018

## 6. AUDITORS' REMUNERATION

|  | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|--|-------------------------------|-----------------------------------|
|  | <b>£</b>                      | <b>£</b>                          |
| Fees payable to the company's auditors for the audit of the company's financial statements | <b>14,500</b>                 | 8,000                             |
| Auditors' remuneration for non audit work  | <b>3,501</b>                  | 3,100                             |

## 7. INTEREST PAYABLE AND SIMILAR EXPENSES

|                    | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|--------------------|-------------------------------|-----------------------------------|
|                    | <b>£</b>                      | <b>£</b>                          |
| Bank interest      | -                             | 4,926                             |
| Bank loan interest | <b>14,203</b>                 | 59,401                            |
| Other interest     | <b>887</b>                    | 6,644                             |
| Factoring charges  | <b>27,782</b>                 | 25,743                            |
| Hire purchase      | <b>821</b>                    | 7,783                             |
|                    | <b>43,693</b>                 | <b>104,497</b>                    |

## 8. TAXATION

### Analysis of the tax charge

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

|                    | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|--------------------|-------------------------------|-----------------------------------|
|                    | <b>£</b>                      | <b>£</b>                          |
| Current tax:       |                               |                                   |
| UK corporation tax | <b>97,898</b>                 | 548,678                           |
| Prior year         | -                             | (2)                               |
| Total current tax  | <b>97,898</b>                 | 548,678                           |
| Deferred tax       | <b>(6,661)</b>                | (10,097)                          |
| Tax on profit      | <b>91,237</b>                 | 538,579                           |

Continued...

## 8. TAXATION – continued

### 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:

|   | Year Ended<br>31.3.18 | Period<br>1.1.16<br>To<br>31.3.17 |
|---|-----------------------|-----------------------------------|
|   | £                     | £                                 |
| Profit before tax   | 681,448               | 2,221,435                         |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 – 20%) | 129,475               | 444,287                           |
| Effects of:   |                       |                                   |
| Expenses not deductible for tax purposes  | 14,179                | 154,375                           |
| Income not taxable for tax purpose  | -                     | (52)                              |
| Depreciation in excess of capital allowances  | 4,738                 | 13,148                            |
| Adjustments to tax charge in respect of previous periods                                | -                     | (2)                               |
| Research & Development enhanced deduction   | (50,494)              | (63,080)                          |
| Deferred tax movement   | (6,661)               | (10,097)                          |
| Total tax charge  | 538,579               | 538,579                           |

## 9. DIVIDENDS

During the year the company paid an interim dividend of £350,000 (2017: £90,000) to the UK holding company. In the previous period dividends of £31,391 were paid on two other classes of shares. The classes were subsequently converted to ordinary shares during the previous period.

## 10. TANGIBLE FIXED ASSETS

|                        | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Totals<br>£ |
|------------------------|---------------------------|-----------------------------|------------------------|-------------|
| <b>COST</b>            |                           |                             |                        |             |
| At 1 April 2017        | 1,200,000                 | 1,365,228                   | 58,811                 | 2,624,039   |
| Additions              | -                         | 41,213                      | 15,534                 | 56,747      |
| Disposals              | -                         | (15,300)                    | (19,425)               | (34,725)    |
| At 31 March 2018       | 1,200,000                 | 1,391,141                   | 54,920                 | 2,646,061   |
| <b>DEPRECIATION</b>    |                           |                             |                        |             |
| At 1 April 2017        | 63,000                    | 881,620                     | 18,945                 | 963,565     |
| Charge for period      | 12,000                    | 59,498                      | 7,163                  | 78,661      |
| Eliminated on disposal | -                         | -                           | (12,380)               | (12,380)    |
| At 31 March 2018       | 75,000                    | 941,115                     | 13,728                 | 1,029,846   |
| <b>NET BOOK VALUE</b>  |                           |                             |                        |             |
| At 31 March 2018       | 1,125,000                 | 450,023                     | 41,192                 | 1,616,215   |
| At 31 March 2017       | 1,137,000                 | 483,608                     | 39,866                 | 1,660,474   |

Continued...



Notedome Limited (Registered number: 01326364)

Notes to the Financial Statement – continued  
For the Year Ended 31 March 2018

#### 10 TANGIBLE FIXED ASSETS - continued

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

|                       | <b>Motor<br/>vehicles<br/>£</b> |
|-----------------------|---------------------------------|
| <b>COST</b>           |                                 |
| At 1 April 2017       | <b>39,386</b>                   |
| Additions             | <b>15,534</b>                   |
| At 31 March 2018      | <b>54,920</b>                   |
| <b>DEPRECIATION</b>   |                                 |
| At 1 April 2017       | <b>6,565</b>                    |
| Charge for year       | <b>7,163</b>                    |
| At 31 March 2018      | <b>13,728</b>                   |
| <b>NET BOOK VALUE</b> |                                 |
| At 31 March 2018      | <b>41,192</b>                   |
| At 31 March 2017      | <b>32,821</b>                   |

#### 11. STOCKS

|                | <b>31.3.18<br/>£</b> | 31.3.17<br>£   |
|----------------|----------------------|----------------|
| Raw materials  | <b>1,280,361</b>     | 520,572        |
| Finished goods | <b>448,227</b>       | 421,834        |
|                | <b>1,728,588</b>     | <b>942,406</b> |

Stock recognised in cost of sales during the year was £8,176,698 (2015: £7,805,914).

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

|                                    | <b>31.3.18<br/>£</b> | 31.3.17<br>£     |
|------------------------------------|----------------------|------------------|
| Trade debtors                      | <b>2,616,080</b>     | 2,345,343        |
| Amounts owed by group undertakings | <b>2,146,770</b>     | 2,281,470        |
| Other debtors                      | <b>2,038</b>         | 1,718            |
| Tax                                | <b>2,364</b>         | -                |
| Prepayments and accrued income     | <b>44,490</b>        | 44,172           |
|                                    | <b>4,811,742</b>     | <b>4,672,703</b> |

Included in debtors above are financial assets measured at amortised cost of £4,749,588 (2017: £4,628,531).

Continued...

Notedome Limited (Registered numbers: 01326364)

Notes to the Financial Statements – continued

For the Year Ended 31 March 2017

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

|   | <b>31.3.18</b>          | 31.3.17                 |
|---|-------------------------|-------------------------|
|   | £                       | £                       |
| Bank loans and overdrafts (see note 15) | <b>1,608,591</b>        | 374,066                 |
| Hire purchase contracts (see note 16)   | <b>8,263</b>            | 8,263                   |
| Trade creditors                         | <b>1,815,075</b>        | 1,624,455               |
| Tax                                     | -                       | 148,6778                |
| Social security and other taxes         | <b>24,604</b>           | 24,363                  |
| VAT                                     | <b>29,952</b>           | 74,183                  |
| Other creditors                         | -                       | 2,527                   |
| Accrued expenses                        | <b>59,701</b>           | 10,712                  |
|   | <b><u>3,546,186</u></b> | <b><u>2,267,247</u></b> |

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

|                                       | <b>31.3.18</b>        | 31.3.17               |
|---------------------------------------|-----------------------|-----------------------|
|                                       | £                     | £                     |
| Bank loans (see note 15)              | <b>516,657</b>        | 716,661               |
| Hire purchase contracts (see note 16) | <b>6,455</b>          | 9,641                 |
|                                       | <b><u>523,112</u></b> | <b><u>726,302</u></b> |

Included in creditors are financial liabilities measured at amortised cost of £3,955,041 (2017: £2,735,613).  
These amounts cover both amounts due within and after more than one year.

**15. LOANS**

An analysis of the maturity of loans is given below:

|   | <b>31.3.18</b>          | 31.03.17              |
|---|-------------------------|-----------------------|
|   | £                       | £                     |
| Amounts falling due within one year or on demand: |                         |                       |
| Bank overdrafts                                   | <b>1,408,587</b>        | 174,062               |
| Bank loans  | <b>200,004</b>          | 200,004               |
|   | <b><u>1,608,591</u></b> | <b><u>374,066</u></b> |
| Amounts falling due between one and two years:    |                         |                       |
| Bank loans – 1-2 years                            | <b><u>200,004</u></b>   | <u>200,004</u>        |
| Amounts falling due between two and five years:   |                         |                       |
| Bank loans – 2-5 years                            | <b><u>316,653</u></b>   | <u>516,657</u>        |

Continued...



Notedome Limited (Registered number: 01326364)

Notes to the Financial Statements – continued

For the Year Ended 31 March 2018

**18. PROVISIONS FOR LIABILITIES – continued**

|   | Deferred tax<br>£ |
|---|-------------------|
| Balance at 1 April 2017                                 | 80,961            |
| Credit to Statement of Comprehensive Income during year | (6,661)           |
| Balance at 31 March 2018                                | <u>74,300</u>     |

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: | 31.3.18<br>£ | 31.3.17<br>£ |
|---------|----------|----------------|--------------|--------------|
| 3,916   | Ordinary | £1             | 3,916        | 3,916        |
|         |          |                | <u>3,916</u> | <u>3,916</u> |

**20. RESERVES**

|                     | Retained<br>earnings<br>£ | Share<br>premium<br>£ | Capital<br>redemption<br>reserve<br>£ | Totals<br>£      |
|---------------------|---------------------------|-----------------------|---------------------------------------|------------------|
| At 1 April 2017     | 4,444,964                 | 248,271               | 7,000                                 | 4,700,235        |
| Profit for the year | 590,211                   |                       |                                       | 590,211          |
| Dividends           | (350,000)                 |                       |                                       | (350,000)        |
| As at 31 March 2018 | <u>4,685,175</u>          | <u>248,271</u>        | <u>7,000</u>                          | <u>4,940,446</u> |

The amount included in retained earnings represents distributable reserves.

**21. PENSION COMMITMENTS**

The company operates a defined contribution scheme on a money purchase basis for its employees. Assets are managed by independent fund managers and held outside the company. During the period the company contributed £32,850 (2017: £39,793) to the scheme.

The company contributed £0 (2017: £3,634) to defined contribution schemes for certain directors.

Continued...

Notedome Limited (Registered number: 01326364)

Notes to the Financial Statements – continued

For the Year Ended 31 March 2018

## 22. 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.

## 23. RELATED PARTY DISCLOSURES

The total emoluments paid to key management personnel during the year were £282,356(2017 - £165,138).

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

|                                       | <b>Year Ended<br/>31.3.18</b> | Period<br>1.1.16<br>To<br>31.3.17 |
|---------------------------------------|-------------------------------|-----------------------------------|
|                                       | £                             | £                                 |
| Profit before taxation                | <b>681,448</b>                | 2,221,435                         |
| Depreciation charges                  | <b>78,661</b>                 | 136,370                           |
| Profit on disposal of fixed assets    | <b>(1,706)</b>                | (262)                             |
| Finance costs                         | <b>43,693</b>                 | 104,497                           |
|                                       | <b>802,096</b>                | 2,462,040                         |
| Increase in stocks                    | <b>(786,182)</b>              | (233,492)                         |
| Increase in trade and other debtors   | <b>(136,675)</b>              | (2,381,275)                       |
| Increase in trade and other creditors | <b>193,091</b>                | 615,138                           |
| <b>Cash generated from operations</b> | <b>72,330</b>                 | 462,411                           |

Notedome Limited (Registered number: 01326364)

Notes to the Financial Statements – continued  
For the Year Ended 31 March 2018

## 25. CASH AND CASH EQUIVALENTS

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

### Year ended 31 March 2018

|                           | <b>31.3.18</b>          | <b>1.4.17</b>         |
|---------------------------|-------------------------|-----------------------|
|                           | £                       | £                     |
| Cash and cash equivalents | <b>931,415</b>          | <b>503,078</b>        |
| Bank overdrafts           | <b>(1,408,587)</b>      | <b>(174,062)</b>      |
|                           | <u><b>(477,172)</b></u> | <u><b>329,016</b></u> |

### Period ended 31 March 2017

|                           | 31.3.17        | 1.1.16           |
|---------------------------|----------------|------------------|
|                           | £              | £                |
| Cash and cash equivalents | 503,078        | 2,340,220        |
| Bank overdrafts           | (174,062)      | -                |
|                           | <u>329,016</u> | <u>2,340,220</u> |