

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

**OF**

**MANALI PETROCHEMICALS LIMITED  
FOR THE YEAR 2018-2019**

- **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 2019

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED  
(incorporated in Singapore)

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

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

**GENERAL INFORMATION**

**Director**

Ashwin Chidambaram Muthiah  
Srikanth Sashikala

(Appointed on 22 March 2019)

**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 their statement to the member together with the audited financial statements of AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (the "Company") for the financial year ended 31 March 2019.

In the opinion of the directors,

- (a) the accompanying financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of its financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**DIRECTOR**

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

Ashwin Chidambaram Muthiah  
Srikanth Sashikala

**ARRANGEMENTS TO ENABLE DIRECTOR TO ACQUIRE SHARES 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 INTERESTS IN SHARES AND DEBENTURES (...CONT'D)**

	Holdings in which a director is <u>deemed to have an interest</u>	
	<u>As at 01.04.18</u>	<u>As at 31.03.19</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

17 May 2019

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Srikanth Sashikala  
Director

**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 39, which comprise the statement of financial position of the Company as at 31 March 2019, 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 2019 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.

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JBS PRACTICE PAC  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS

Singapore

17 May 2019

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

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	<u>2019</u> US\$	<u>2018</u> US\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash at bank	4	845,621	277,858
Other receivables	5	-	3,783
Prepayment		1,594	1,548
		<u>          </u>	<u>283,189</u>
<b>Non-current asset</b>			
Property, plant and equipment	6	-	-
Investment in subsidiary	7	15,170,600	15,170,600
		<u>15,170,600</u>	<u>15,453,789</u>
<b>Total assets</b>		<u>16,017,815</u>	<u>15,453,789</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	8	10,549	355,570
Income tax payable		38,144	
<b>Total liabilities</b>		<u>48,693</u>	<u>355,570</u>
<b>NET ASSET</b>		<u>15,969,122</u>	<u>15,098,219</u>
<b>SHAREHOLDER'S EQUITY</b>			
Share Capital	9	16,421,208	16,421,208
Accumulated losses		(452,086)	(1,322,989)
<b>TOTAL EQUITY</b>		<u>15,969,122</u>	<u>15,098,219</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 2019**

	<u>Note</u>	<u>2019</u> US\$	<u>2018</u> US\$
<b>REVENUE</b>			
Consultancy services income	10	694,795	225,000
Dividend income		398,790	526,091
Other income	11	530,076	227,451
<b>Total revenue</b>		1,623,661	978,542
<b>EXPENSES</b>			
Depreciation of property, plant and equipment	6	2,990	-
Employee benefits expense	12	547,156	734,635
Other operating expenses	13	100,012	108,190
<b>Total expenses</b>		650,158	842,825
<b>Profit/(loss) before income tax</b>		973,503	135,717
<b>Income tax expense</b>	14	(102,600)	(22,500)
<b>Net profit/(loss), representing total comprehensive income for the year</b>		870,903	113,217

*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 2019**

	<u>Share Capital</u> <u>US\$</u>	<u>Accumulated</u> <u>losses</u> <u>US\$</u>	<u>Total</u> <u>US\$</u>
<b><u>2019</u></b>			
Balance as at 1 April 2018	16,421,208	(1,322,989)	15,098,219
Net profit, representing total comprehensive income for the year	-	870,903	870,903
Balance as at 31 March 2019	<u>16,421,208</u>	<u>(452,086)</u>	<u>15,969,122</u>
<b><u>2018</u></b>			
Balance as at 1 April 2017	16,421,208	(1,436,206)	14,985,002
Net loss, representing total comprehensive income for the year	-	(113,217)	(1,393,810)
Balance as at 31 March 2018	<u>16,421,208</u>	<u>(1,322,989)</u>	<u>15,098,219</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 2019**

	<u>Note</u>	<u>2019</u> US\$	<u>2018</u> US\$
<b><u>Cash Flows From Operating Activities</u></b>			
Profit/(loss) before income tax		973,503	135,717
<b>Adjustment for :</b>			
Depreciation of property, plant and Equipment	6	2,990	-
Dividend income		(398,790)	(526,091)
<b>Operating cash flow before changes in working capital</b>		<b>577,703</b>	<b>(390,374)</b>
Changes in working capital:			
Other receivables		3,783	(3,783)
Other payables		(345,021)	40,998
Prepayment		(46)	(1,548)
<b>Cash generated from/(used in) operations</b>		<b>236,416</b>	<b>(354,707)</b>
Income tax paid		(856)	-
Withholding tax paid		(63,600)	(22,500)
<b>Net cash generated from/(used in) operations activities</b>		<b>171,963</b>	<b>(377,207)</b>
<b><u>Cash Flows From Investing Activity</u></b>			
Dividend received	6	398,790	526,091
Purchase of property, plant and equipment		(2,990)	-
<b>Net cash generated from investing activities</b>		<b>395,800</b>	<b>526,091</b>
<b>Net increase in cash at bank</b>		<b>567,763</b>	<b>148,884</b>
<b>Cash at bank at beginning of the financial year</b>		<b>277,858</b>	<b>128,974</b>
<b>Cash at bank at end of the financial year</b>	4	<b>845,621</b>	<b>277,858</b>

*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 2019**

**1. GENERAL INFORMATION**

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

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

The financial statements of the Company for the financial year ended 31 March 2019 were authorised for issue by the director on 17 May 2019.

**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 2018, the Company has adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 April 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

*i) Adoption of FRS 109 Financial Instruments*

The Company has adopted the new standard retrospectively from 1 April 2018, in line with the transition provision permitted under the standards. Comparatives for financial year ended 2018 are not restated and the Company has recognised any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening retained earnings.

The accounting policies for financial instruments under FRS 109 are disclosed in Note 2 (e).

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

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

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

a) Basis of preparation (...cont'd)

*i) Adoption of FRS 109 Financial Instruments (...cont'd)*

Classification and measurement

Under FRS 109, debt instruments are subsequently measured either at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Company's business model was made as of the date of initial application, 1 April 2018. The assessment of whether contractual cash flows on debt instruments solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact to the Company. The Company Continued measuring at fair value all financial assets previously held at fair value under FRS 39. The following are the changes in the classification and measurement of the Company's financial assets:

- Other receivables classified as loans and receivables as at 31 March 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These were classified and measured as debt instruments at amortised cost beginning 1 April 2018.

In summary, upon the adoption of FRS 109, the Company had the following required or elected reclassifications at 1 April 2018:

<u>FRS 39 measurement category</u>	<u>US\$</u>	<u>FRS 109 measurement category</u> <u>Amortised cost</u> <u>US\$</u>
<u>Loans and receivables</u>		
Cash at bank	277,858	277,858
Other receivables	3,783	3,783
	<u>281,641</u>	<u>281,641</u>

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

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

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

a) Basis of preparation (...cont'd)

*ii) FRS 115 Revenue from Contracts with Customers*

FRS 115 supersedes FRS 11 Construction Contracts, FRS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflect the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

These financial statements are 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 in Note 7 to the financial statements. The registered office of Manali Petrochemicals Limited is at SPIC House, 88 Mount Road Guindy, Chennai, Tamil Nadu-600032.

b) Currency translation

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

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



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

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

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

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

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) Property, plant and equipment

*(i) Measurement*

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

*Components of costs*

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

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

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

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

d) Property, plant and equipment (...cont'd)

(ii) Depreciation

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

Computers

Useful lives  
1 Year

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

(iii) Subsequent expenditure

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

(iv) Disposal

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

e) Financial assets

The Accounting for financial assets before 1 April 2018 are as follows:

(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.

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

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

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

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

The Accounting for financial assets before 1 April 2018 are as follows (...cont'd)

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

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.

(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.

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)**

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

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

The Accounting for financial assets before 1 April 2018 are as follows (...cont'd)

(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.

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.

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

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

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

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

The Accounting for financial assets before 1 April 2018 are as follows (...cont'd)

(vii) Classification and measurement

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

- A mortised cost;
- Fair value through other comprehensive income (FVOCI): and
- Fair value through profit or loss (FVPL).

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

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

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

At initial recognition

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

**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)**

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

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

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

At subsequent measurement

(a) Debt instruments

Debt instruments mainly comprise of cash at bank and other receivables.

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

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

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

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

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

*(vii) Classification and measurement (...cont'd)*

At subsequent measurement (...cont'd)

*(b) Equity investments*

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

*(viii) Impairment*

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

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

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

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

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

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

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

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

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

Write-off policy

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

*(ix) 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.



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

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

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

*(ix) Recognition and derecognition (...cont'd)*

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

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognize fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relation to that asset.

f) Offsetting financial instruments

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

g) Investment in subsidiary

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

h) 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.

i) 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.

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

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

j) 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.

k) Impairment of non-financial asset

*property, plant and equipment*  
*Investments in subsidiary*

Investment in subsidiary and property, plant and equipment 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.

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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)**

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

*property, plant and equipment(...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.

l) 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.

i) 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.

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

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

m) 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).

n) 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.

o) Employee benefits

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

*Defined contribution plan*

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

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

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

p) Related parties

A related party is defined as follows:

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

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

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

q) Revenue recognition

These accounting policies are applied before the initial application date of FRS 115, 1 April 2018:

Revenue is measured at the fair value of the consideration received or receivable and represents amount receivable for goods and services provided in the normal course of the business, net of goods and services tax, rebates and discounts.

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 and when the specific criteria for each of the Company's activities are met as follows:

- (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.

These accounting policies are applied on and after the initial application date of FRS 115, 1 April 2018:

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes).

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

- (i) Consultancy service income is recognised when the promised services are transferred to customers and all criteria for acceptance have been satisfied over a period of time.
- (ii) Dividend income is recognised when the right to receive payment is established.
- (iii) Revenue from commission income is recognised when the promised services are transferred to the customers and all criteria for acceptance in reference to agreement have been satisfied at a point in time.

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

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

r) Leases

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

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

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

**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:

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.

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

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>2019</b>	2018
	<b>US\$</b>	US\$
Singapore dollars	<b>131,343</b>	<b>44,887</b>
Great British pounds	<b>121,927</b>	<b>133,747</b>
United States dollars	<b>592,351</b>	<b>99,224</b>
	<hr/> <b>845,621</b>	<hr/> <b>277,858</b>

**5. OTHER RECEIVABLES**

	<b>2019</b>	2018
	<b>US\$</b>	US\$
Commission receivable	-	<b>3,013</b>
Related party	-	<b>770</b>
	<hr/> -	<hr/> <b>3,783</b>

In 2018, the amount due from a related party is unsecured, interest free and repayable on demand.

Other receivables are denominated in United State dollars.



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

**6. PROPERTY, PLANT AND EQUIPMENT**

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

**7. INVESTMENT IN SUBSIDIARY**

	<b>2019</b> US\$	<b>2018</b> 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 2019 are as follows:

<u>Name of subsidiary/ Country of Incorporation</u>	<u>Principal activities</u>	<u>Financial year end</u>	<u>Percentage of equity held</u>	
			<u>2019</u> %	<u>2018</u> %
Amchem Speciality Chemicals UK Limited (United Kingdom) <i>Held by Amchem Speciality Chemicals UK Limited</i>	Investment holdings	31 March	100	100
Notedom Limited (United Kingdom)	Manufacturing of Neuthane Polyurethane Cast Elastomers	31 March	100	100

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

**8. OTHER PAYABLES**

	<b>2019</b>	<b>2018</b>
	<b>US\$</b>	<b>US\$</b>
Accruals for operating expenses	<b>10,549</b>	<b>355,054</b>
Other payables - Third party	<b>-</b>	<b>516</b>
	<hr/>	<hr/>
		<b>355,570</b>

Other payables are denominated in Singapore dollars.

**9. SHARE CAPITAL**

	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>
	Number of ordinary shares	Number of ordinary shares	<u><b>US\$</b></u>	<u><b>US\$</b></u>
	issued	issued		
Balance at beginning and	<b>16,421,208</b>	16,421,208	<b>16,421,208</b>	16,421,208
End of the financial year	<hr/>	<hr/>	<hr/>	<hr/>

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's residual assets.

**10. CONSULTANCY SERVICE INCOME**

	<b>2019</b>	<b>2018</b>
	<b>US\$</b>	<b>US\$</b>
Consultancy income	<b>694,795</b>	<b>225,000</b>
<u>Primary geographical markets</u>		
India	<b>630,000</b>	<b>225,000</b>
United Kingdom	<b>64,795</b>	<b>-</b>
	<hr/>	<hr/>
<u>Timing of transfer of goods or service</u>		
Over time	<b>694,795</b>	<b>225,000</b>
	<hr/>	<hr/>

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

**10. CONSULTANCY SERVICE INCOME(...CONT'D)**

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

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

**11. OTHER INCOME**

	<u>2019</u> US\$	<u>2018</u> US\$
Commission and reimbursement received	529,825	227,061
Government grant – Temporary Employment Credit	251	390
	<u>530,076</u>	<u>227,451</u>

**12. EMPLOYEE BENEFITS EXPENSE**

	<u>2019</u> US\$	<u>2018</u> US\$
Director's fees	12,416	-
Staff salaries	484,981	350,531
Bonus	-	361,904
CPF	15,394	9,762
Skill development fund	172	97
Medical fees	34,193	12,341
	<u>547,156</u>	<u>734,635</u>

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

**13. OTHER OPERATING EXPENSES**

	<u>2019</u> US\$	<u>2018</u> US\$
Professional fees	14,009	89,370
Foreign exchange loss	2,009	4,871
Travelling expenses	43,152	5,940
Rental of office equipment	371	-
Rental of office Premises	27,748	-
Others	12,723	8,009
	<u>100,012</u>	<u>108,190</u>

**14. INCOME TAX EXPENSE**

	<u>2019</u> US\$	<u>2018</u> US\$
Current year provision	39,000	-
Foreign tax paid – withholding tax	63,600	22,500
	<u>102,600</u>	<u>22,500</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% (2018:17%) to the profit/(loss) before income tax as a result of the following differences:

	<u>2019</u> US\$	<u>2018</u> US\$
Profit/(loss) before income tax	<u>973,503</u>	<u>135,717</u>
Income tax expense at statutory rate	165,496	23,072
Non-allowable items	5,471	70,046
Non-taxable income	(67,794)	(89,435)
Foreign tax paid	63,600	22,500
Tax exemption	(13,339)	(2,155)
Tax rebate/relief	(50,957)	(75)
Others	123	(1,453)
	<u>102,600</u>	<u>22,500</u>

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

**15. IMMEDIATE AND ULTIMATE HOLDING COMPANY**

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

**16. RELATED PARTY TRANSACTION**

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

	<u>2019</u> US\$	<u>2018</u> US\$
Consultancy services income from holding company	480,000	180,000
Consultancy services income from related party	150,000	45,000
Consultancy services income from subsidiary	64,795	-
Dividend income from subsidiary	398,790	526,091

**(b) Compensation of Key management personnel**

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

	<u>2018</u> US\$	<u>2017</u> US\$
Short-term benefits	469,049	712,435
Post-employment benefits	9,766	9,762

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

17. FINANCIAL RISK MANAGEMENT

*Financial risk factors*

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

*(a) Market risks*

(i) Foreign currency risk

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

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

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

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

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

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

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

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

	<u>SGD</u> US\$	<u>GBP</u> 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	<u>(310,683)</u>	<u>133,747</u>

At 31 March 2019, if the Singapore dollars and Great Britishpounds had strengthened/weakened by 3% and 7% respectively (2018: 7% and 12%) against the United States dollars with all other variables including tax rate being held constant, the Company' profit or loss for the financial year total equity would have been higher/lower approximately by:

	<u>2019</u> US\$	<u>2018</u> US\$
Singapore dollars	3,600	21,000
Great British pounds	<u>8,500</u>	<u>16,000</u>

*(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.

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED

(Incorporated in Singapore)

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

17. FINANCIAL RISK MANAGEMENT (...CONT'D)

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

*(b) Credit risk(...cont'd)*

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.

*(c) Liquidity risk*

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

*Non-derivative financial liabilities*

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

	<u>2019</u> US\$	<u>2018</u> US\$
<b>On demand or within 1 year</b>		
Other payables	10,549	355,570

*(d) Fair values measurement*

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



**AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED**  
**(Incorporated in Singapore)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)**

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

*(e) Fair values measurement*

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

	<u>2019</u> US\$	<u>2018</u> US\$
<b>Financial asset</b>		
Amortised cost		
Cash at bank	845,621	-
Loans and receivables:		
Cash at bank	-	277,858
Other receivables	-	3,783
	<hr/>	<hr/>
<b>Financial liability</b>		
Amortised cost:		
Other payables	10,549	355,570
	<hr/>	<hr/>

**18. CAPITAL RISK MANAGEMENT**

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

The Company is not subjected to externally imposed capital requirements and Company' overall strategies remained unchanged for the financial years ended 31 March 2019 and 31 March 2018.

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

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

**19. 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 periods beginning on or after
FRS 119 Leases	1 January 2019
INT FRS 123 <i>Uncertainly over Income Tax Treatments</i>	1 January 2019
Annual Improvement to FRSs (March 2018)	1 January 2019

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.

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

Report of the Directors and  
Financial Statements for the Year Ended 31 March 2019  
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)

Contents of the Financial Statements

For the Year Ended 31 March 2019

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AMCHEM Speciality Chemicals UK Limited

Company Information

For the Year Ended 31 March 2019

DIRECTORS:

C M Bowry  
A C Muthiah  
S Srikanth

REGISTERED OFFICE:

Avery House  
8 Avery Hill Road  
London  
SE9 2BD

REGISTERED NUMBER:

10329758 (England and Wales)

AUDITORS:

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

Report of the Directors

For the Year Ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

C M Bowry  
A C Muthiah

Other changes in directors holding office are as follows:

S Srikanth – appointed 7 March 2019

**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.

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Report of the Directors

For the Year Ended 31 March 2019

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: 3.5.19**

## **Opinion**

We have audited the financial statements of AMCHEM Speciality Chemicals UK Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, Including Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

- Give a true and fair view of the state of the company's affairs as at 31 March 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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



### **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.

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

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

A further description of our responsibilities for the audit of the financial 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.

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

**Use of our report**

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

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

Date: 16.5.19

AMCHEM Speciality Chemicals UK Limited (Registered number: 10329758)

Income Statement

For the Year Ended 31 March 2019

		31.3.19		31.3.18	
	Notes	£	£	£	£
<b>TURNOVER</b>			120,000		120,000
Administrative expenses			86,524		34,632
<b>OPERATING PROFIT</b>	<b>4</b>		33,476		85,368
		300,000		350,000	
Income from shares in group undertakings					
Interest receivable and similar income		617		1,060	
			300,617		351,060
Interest receivable and similar income			41		-
<b>PROFIT BEFORE TAXATION</b>			334,052		436,428
<b>Tax on profit</b>			6,477		16,418
			327,575		420,010
<b>PROFIT FOR THE FINANCIAL PERIOD</b>					

*The notes from part of these financial statements*

Balance Sheet

31 March 2019

		31.3.19		31.3.18	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		204		304
Investments	7		13,327,165		13,327,165
			<u>13,327,369</u>		<u>13,327,469</u>
<b>CURRENT ASSETS</b>					
<b>Debtors</b>	8	36,000		36,000	
Cash at bank		93,047		368,015	
		<u>129,047</u>		<u>404,015</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>1,877,575</u>		<u>2,180,195</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,748,528)</u>		<u>(1,776,180)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>11,578,841</u>		<u>11,551,289</u>
<b>PROVISIONS FOR LIABILITIES</b>			35		58
<b>NET ASSETS</b>			<u>11,578,806</u>		<u>11,551,231</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10	11,500,000		11,500,000	
Retained earnings		78,806		51,231	
<b>SHAREHOLDERS' FUNDS</b>		<u>11,578,806</u>		<u>11,551,231</u>	

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 03.5.19 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 share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2017</b>	11,500,000	31,221	11,531,221
<b>Changes in equity</b>			
Dividends	-	(400,00)	(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>11,551,231</u>
<b>Changes in equity</b>			
Dividends	-	(300,000)	(300,000)
Total comprehensive income	-	420,010	327,575
<b>Balance at 31 March 2019</b>	<u>11,500,000</u>	<u>78,806</u>	<u>11,578,806</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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Turnover**

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

### **Tangible fixed assets**

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

Plant and machinery etc                      - 25% on cost

### **Investment in subsidiaries**

Investment in subsidiary undertakings are recognised at cost.

### **Financial instruments**

#### **Debtors**

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

#### **Creditors**

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

#### **Taxation**

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

Current or deferred taxation assets 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.

Continued...

## 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 (2018 – 2).

## 4. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.19	31.3.18
	£	£
Depreciation – owned assets	100	102
Auditor's remuneration	500	500
Auditor's remuneration for non audit work	750	750
	<u>          </u>	<u>          </u>

## 5. DIVIDENDS

	31.3.19	31.3.18
	£	£
Interim	300,000	400,00
	<u>          </u>	<u>          </u>

Continued...

Notes for the Financial Statements - continued

For the Year Ended 31 March 2019

**6.TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 April 2018	
And 31 March 2019	508
<b>DEPRECIATION</b>	
At 1 April 2018	204
Charge for year	102
At 31 March 2018	304
<b>NET BOOK VALUE</b>	
At 31 March 2019	204
At 31 March 2018	304

**7. FIXED ASSET INVESTMENTS**

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

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

	31.3.19 £	31.3.18 £
Trade debtors	36,000	36,000

Continued...



Notes for the Financial Statements - continued

For the Year Ended 31 March 2019

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

	<b>31.3.19</b>	<b>31.3.18</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	1,831,470	2,131,470
Taxation and security	18,882	22,360
Other creditors	27,223	26,365
	<u>1,877,575</u>	<u>2,180,195</u>

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>31.3.19</b>	<b>31.3.18</b>
			<b>£</b>	<b>£</b>
11,500,000	Ordinary	<b>£1</b>	<u>2,180,195</u>	<u>2,300,093</u>

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

The controlling party is AMCHEM Speciality Chemicals Private Limited.

The ultimate controlling party is Manali Petrochemicals Limited.

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

Strategic Report, Report of the Directors and  
Audited Financial Statement for the Year Ended 31 March 2019  
For  
Notedome Limited

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

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For the Year Ended 31 March 2019

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Notedome Limited

Company Information

For the Year Ended 31 March 2019

**DIRECTORS:**

Bryan Lear  
Duncan Lear  
Chandra M Bowry  
Ashwin C Muthiah  
Muthukrishnan 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 2019

The directors present their strategic report for the year ended 31 March 2019.

2018/19 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 small fall in gross margin from 27.2% to 26.0%, 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 5.3% (2018: 5.7%). 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 2019/20 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:**

.....  
Bryan Lear – Director

Date: 16.05.2019

Report of the Directors  
For the Year Ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

**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 £76.61 per share was paid during the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2019 will be £300,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

Bryan Lear

Duncan Lear

Chandra M Bowry

Ashwin C Muthiah

Muthukrishnan 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 assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

Notedome limited ( Registered number: 01326364)

Report of the Directors

For the Year Ended 31 March 2019

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

.....  
Bryan Lear – Director

Date: 16.05.2019

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 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statement, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basic for opinion**

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

**Conclusions relation to going concern**

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

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

**Other information**

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

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

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

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



Report of the Independent Auditors to the Members of  
Notedome Limited

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanation we require for our audit.

**Responsibilities of directors**

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 statement and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

**Use of our report**

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

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

Date: 16.05.19

Statement of comprehensive income  
For the Year Ended 31 March 2019

		31.3.19	31.3.18
	Notes	£	£
<b>TURNOVER</b>	3	<b>11,781,628</b>	11,987,092
Cost of Sales		<b>8,692,176</b>	8,724,847
<b>GROSS PROFIT</b>		<b>3,089,452</b>	3,262,245
Distribution costs		<b>435,650</b>	393,253
Administrative expenses		<b>1,949,041</b>	2,143,851
		<b>2,384,691</b>	2,537,104
<b>OPERATING PROFIT</b>	5	<b>704,761</b>	725,141
Interest payable and similar expenses	7	<b>58,324</b>	43,693
<b>PROFIT BEFORE TAXATION</b>		<b>646,437</b>	681,448
Tax on profit	8	<b>65,072</b>	91,237
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>581,365</b>	590,211
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>581,365</b>	590,211

The notes form part of these financial statements

Balance Sheet  
31 March 2019

		31.3.19	31.03.18
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	10	<b>1,636,606</b>	1,616,215
<b>CURRENT ASSETS</b>			
Stocks	11	<b>1,992,188</b>	1,728,588
Debtors	12	<b>5,601,998</b>	4,811,742
Cash at bank		<b>303,360</b>	931,415
		<b>7,897,546</b>	7,471,745
<b>CREDITORS</b>			
Amounts falling due within one year	13	<b>3,967,856</b>	3,546,186
<b>NET CURRENT ASSETS</b>		<b>3,929,690</b>	3,925,559
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,566,296</b>	5,541,774
<b>CREDITORS</b>			
Amounts falling due after more than one Year	14	<b>(257,912)</b>	(523,112)
<b>PROVISION FOR LIABILITIES</b>	18	<b>(82,657)</b>	(74,300)
<b>NET ASSETS</b>		<b>5,225,727</b>	4,944,362
<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>4,966,540</b>	4,685,175
<b>SHAREHOLDERS' FUNDS</b>		<b>5,225,727</b>	4,944,362

The financial statements were approved by the Board of Directors on 16 May 2019 and were signed on its behalf by:

.....  
Bryan 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 2019

	<b>Called up Share Capital</b>	<b>Retained earnings</b>	<b>Share premium</b>	<b>Capital Redemption Reserve</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 April 2017</b>	3,916	4,444,964	248,271	7,000	4,704,151
<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>
<b>Changes in equity</b>					
Dividends	-	(350,000)	-	-	(300,000)
Total comprehensive income	-	581,365	-	-	581,365
<b>Balance at 31 March 2019</b>	<u>3,916</u>	<u>4,966,540</u>	<u>248,271</u>	<u>7,000</u>	<u>5,225,727</u>

*The notes form part of these financial statements*

Cash flow Statement

For the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	24	(445,140)	72,330
Interest paid		(57,287)	(42,872)
Interest element of hire purchase payments paid		(1,037)	(821)
Tax paid		2,101	(248,940)
Net cash from operating activities		<u>(501,363)</u>	<u>(220,303)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(96,626)	(50,873)
Sale of tangible fixed assets		-	24,051
Net cash from investing activities		<u>(96,626)</u>	<u>(26,822)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(258,745)	(200,003)
Capital repayments in year		(13,591)	(9,060)
Amount introduced by directors		3,258	-
Equity dividends paid		(300,000)	(350,000)
Net cash from financing activities		<u>(569,078)</u>	<u>(559,063)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(1,167,067)</u>	<u>(806,188)</u>
<b>Cash and cash equivalents at beginning of year</b>	25	<u>(477,172)</u>	<u>329,016</u>
<b>Cash and cash equivalents at end of year</b>	25	<u>(1,644,239)</u>	<u>(477,172)</u>

*The notes form part of these financial statements*

Notes to the Financial Statements  
For the Year Ended 31 March 2019

**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 statements 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 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...

Notes to the Financial Statements – continued

For the Year Ended 31 March 2019

**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 £259,329 (2018: £204,288).

**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:

	31.3.19	31.3.18
	£	£
United Kingdom	5,255,790	6,325,718
Europe	3,985,765	4,022,467
Rest of the world	2,540,073	1,638,907
	<u>11,781,628</u>	<u>11,987,092</u>

**4. EMPLOYEES AND DIRECTORS**

	31.3.19	31.3.18
	£	£
Wages and salaries	1,056,097	979,018
Social security costs	84,127	98,203
Other pension costs	31,027	32,850
	<u>1,171,251</u>	<u>1,110,071</u>

Continued...

Notes to the Financial Statement – continued

For the Year Ended 31 March 2019

**4. EMPLOYEES AND DIRECTORS**

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

	31.3.19 £	31.3.18 £
Senior management	4	4
Engineering	15	16
Administration	5	6
Finance	2	2
	<u>27</u>	<u>28</u>

	31.3.18 £	31.3.18 £
Directors' remuneration	<u>367,156</u>	<u>282,356</u>

Information regarding the highest paid director is as follows :

	31.3.19 £	31.03.18 £
Emoluments etc	<u>191,287</u>	<u>141,287</u>

**5. OPERATING PROFIT**

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

	31.3.19 £	31.3.18 £
Other operating leases	38,000	44,902
Depreciation – owned assets	67,577	71,498
Depreciation –assets on hire purchase contracts	8,658	7,163
Profit on disposal of fixed assets	-	(1,706)
Foreign exchange differences	<u>(12,477)</u>	<u>136,933</u>

**6. AUDITORS'REMUNERATION**

	31.3.19 £	31.3.18 £
Fees payable to the company's auditors for the audit of the company's financial statements	14,500	14,500
Auditors' remuneration for non audit work	<u>963</u>	<u>7,501</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.19 £	31.3.18 £
Bank loan interest	15,521	14,203
Other interest	-	887
Factoring charges	41,766	27,782
Hire purchase	1,037	821
	<u>58,324</u>	<u>43,693</u>

Continued....



Notes to the Financial Statement – continued  
For the Year Ended 31 March 2019

**8. TAXATION**

**Analysis of the tax charge**

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

	31.3.19 £	31.3.18 £
Current tax:		
UK corporation tax	56,453	97,898
Prior year	262	-
Total current tax	56,715	97,898
Deferred tax	8,357	(6,661)
Tax on profit	65,072	91,237

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

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

	31.3.19 £	31.3.18 £
Profit before tax	646,437	681,448
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 – 19%)	122,823	129,475
Effects of:		
Expenses not deductible for tax purposes	1,758	14,179
Capital allowances in excess of depreciation	(4,073)	-
Depreciation in excess of capital allowances	-	4,738
Adjustments to tax charge in respect of previous periods	261	-
Research & Development enhanced deduction	(64,054)	(50,494)
Deferred tax movement	8,357	(6,661)
Total tax charge	65,072	91,237

**9. DIVIDENDS**

During the year the company paid an interim dividend of £300,000 (2018: £350,000) to the UK holding company.

Continued...

Notes to the Financial Statement – continued  
For the Year Ended 31 March 2017

**10. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2018	1,200,000	1,391,141	54,920	2,646,061
Additions	-	96,626	-	96,626
At 31 March 2019	1,200,000	1,487,767	54,920	2,742,687
<b>DEPRECIATION</b>				
At 1 April 2018	75,000	941,118	13,728	1,029,846
Charge for period	12,000	55,577	8,658	76,235
At 31 March 2019	87,000	996,695	22,386	1,106,081
<b>NET BOOK VALUE</b>				
At 31 March 2019	1,113,000	491,072	32,534	1,636,606
At 31 March 2018	1,125,000	450,023	41,192	1,616,215

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

	Motor vehicles £
<b>COST</b>	
At 1 April 2018	
And 31 March 2019	54,920
<b>DEPRECIATION</b>	
At 1 April 2018	13,728
Charge for year	8,658
At 31 March 2019	22,386
<b>NET BOOK VALUE</b>	
At 31 March 2019	32,534
At 31 March 2018	41,192

**11. STOCKS**

	31.3.19 £	31.3.18 £
Raw materials	1,763,927	1,280,361
Finished goods	228,261	448,227
	1,992,188	1,728,588

Stock recognised in cost of sales during the year was £8,176,698 (2018: £8,724,847).

Continued...

Notes to the Financial Statement – continued

For the Year Ended 31 March 2019

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

	<b>31.3.19</b>	31.3.18
	£	£
Trade debtors	<b>3,566,746</b>	2,616,080
Amounts owed by group undertakings	<b>1,831,470</b>	2,146,770
Other debtors	<b>89,015</b>	2,038
Tax	-	2,364
VAT	<b>31,882</b>	-
Prepayments and accrued income	<b>82,885</b>	44,490
	<b>5,601,998</b>	4,811,742

Included in debtors above are financial assets measured at a mortised cost of £5,487,231 (2018: £4,767,252).

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

	<b>31.3.19</b>	31.3.18
	£	£
Bank loans and overdrafts (see note 15)	<b>2,147,603</b>	1,608,591
Hire purchase contracts (see note 16)	<b>1,127</b>	8,263
Trade creditors	<b>1,628,965</b>	1,815,075
Tax	<b>56,453</b>	-
Social security and other taxes	<b>22,843</b>	24,604
VAT	-	29,952
Director's current accounts	<b>3,258</b>	-
Accruals and Deferred income	<b>13,107</b>	-
Accrued expenses	<b>94,500</b>	59,701
	<b>3,967,856</b>	3,546,186

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

	<b>31.3.19</b>	31.3.18
	£	£
Bank loans (see note 15)	<b>257,912</b>	516,657
Hire purchase contracts (see note 16)	-	6,455
	<b>257,912</b>	523,112

Included in creditors are financial liabilities measured at a mortised cost of £4,038,865 (2018: £3,955,041).

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>31.3.19</b>	31.03.18
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<b>1,947,599</b>	1,408,587
Bank loans	<b>200,004</b>	200,004
	<b>2,147,603</b>	1,608,591

Continued...

Notes to the Financial Statements – continued  
For the Year Ended 31 March 2019

**15. LOANS – continued**

	<b>31.3.19</b>	<b>31.3.18</b>
	<b>£</b>	<b>£</b>
Amounts falling due between one and two years:		
Bank loans – 1-2 years	<b>200,004</b>	200,004
Amounts falling due between two and five years:		
Bank loans – 2-5 years	<b>57,908</b>	316,653

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>31.3.19</b>	<b>31.03.18</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	<b>1,377</b>	9,017
Between one and five years		7,334
	<b>1,377</b>	<b>16,351</b>
Finance charges repayable:		
Within one year	<b>250</b>	754
Between one and five years	-	879
	<b>250</b>	1,633
Net obligations repayable:		
Within one year	<b>1,127</b>	8,263
Between one and five years	-	6,455
	<b>1,127</b>	<b>14,718</b>
	<b>Non-cancellable operating leases</b>	
	<b>31.3.19</b>	<b>31.3.18</b>
	<b>£</b>	<b>£</b>
Within one year	<b>28,500</b>	38,000
Between one and five years	-	28,500
	<b>28,500</b>	66,500

Continued...

Notes to the Financial Statements – continued  
For the Year Ended 31 March 2019

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.19	31.3.18
	£	£
Bank overdraft	1,947,599	1,408,587
Bank loans	457,916	716,661
Hire purchase contracts	1,127	14,718
	<u>2,406,642</u>	<u>2,139,966</u>

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

**18. PROVISIONS FOR LIABILITIES**

	31.3.19	31.3.18
	£	£
Deferred tax		
Accelerated capital allowances	82,657	74,300
		<b>Deferred tax</b>
		£
Balance at 1 April 2018		74,300
Charge to Statement of Comprehensive Income during year		8,357
Balance at 31 March 2019		<u>82,657</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:	31.3.19	31.3.18
			£	£
3,916	Ordinary	£1	3,916	3,916
			<u>3,916</u>	<u>3,916</u>

**20. RESERVES**

	Retained earnings	Share premium	Capital redemption reserve	Totals
	£	£	£	£
At 1 April 2018	4,685,175	248,271	7,000	4,940,446
Profit for the year	581,365			581,365
Dividends	(300,000)			(300,000)
As at 31 March 2019	<u>4,966,540</u>	<u>248,271</u>	<u>7,000</u>	<u>5,221,811</u>

The amount included in retained earnings represents distributable reserves.

Continued...

Notedome Limited (Registered number: 01326364)

Notes to the Financial Statements – continued

For the Year Ended 31 March 2019

## **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 £31,027 (2018: £32,850) to the scheme.

## **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 £377,156(2018: £282,256).

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

	<b>31.3.19</b>	<b>31.3.18</b>
	£	£
Profit before taxation	<b>646,437</b>	<b>681,448</b>
Depreciation charges	<b>76,235</b>	<b>78,661</b>
Profit on disposal of fixed assets	-	<b>(1,706)</b>
Finance costs	<b>58,324</b>	<b>43,693</b>
	<b>780,996</b>	<b>802,096</b>
Increase in stocks	<b>(263,600)</b>	<b>(786,182)</b>
Increase in trade and other debtors	<b>(792,620)</b>	<b>(136,675)</b>
Increase in trade and other creditors	<b>(169,916)</b>	<b>193,091</b>
<b>Cash generated from operations</b>	<b>(445,140)</b>	<b>72,330</b>

Continued...

Notes to the Financial Statements – continued  
For the Year Ended 31 March 2019

**25. CASH AND CASH EQUIVALENTS**

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

**Year ended 31 March 2019**

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

**Period ended 31 March 2018**

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